Daily Report

Latin America

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Five Presidents Sign Agreement on Waterway

PY0203024890 Montevideo Radio Carve in Spanish 0000 GMT 2 Mar 90

[Excerpt] The presidents of the River Plate Basin signed the Montevideo Declaration in which they reiterated their common desire to support the Parana-Paraguay Waterway Project.

The presidents of Uruguay, Argentina, Brazil, Bolivia, and Paraguay expressed in the document their recognition of the Brazilian Government for its significant contribution to developing the economic viability study.

The presidents also agreed to instruct their respective foreign ministers and public works ministers to coordinate their work with the provisory office in Buenos Aires to organize the first intergovernmental meeting on the Paraguay-Parana Waterway next April.

Radio Carve learned from sources close to the presidents that the first intergovernmental meeting could possibly meet in Punta del Este on 2 April. [passage omitted]

32 Justice Ministers To Meet at Drug Summit

PA0603003290 Hamburg DPA in Spanish 2027 GMT 28 Feb 90

[Text] Mexico City, 28 Feb (DPA)—The attorney generals and justice ministers of 32 Latin American and Caribbean nations will meet in Mexico in April to jointly adopt methods for use in the struggle against drugs, the attorney general's office reported today.

The ministers' summit will be held on 19 and 20 April at the Ixtapa-Zihuatanejo tourist center, approximately 450 km southeast of Mexico City.

The Mexican attorney general's office also reported that the annual meeting of the OAS Inter-American Drug Control Center will be held in Mexico on 23-25 April to analyze drug-trafficking and drug-consumption issues.

Cuba

Castro Meets Puerto Rican Socialist Officials

FL0503154890 Havana Radio Reloj Network in Spanish 1502 GMT 5 Mar 90

[Text] Commander in Chief Fidel Castro, first secretary of the Communist Party of Cuba Central Committee, has received Carlos Gallisa, secretary general of the Puerto Rican Socialist Party. During the friendly meeting, the pro-independence Puerto Rican leader explained the plebiscite process the U.S. Congress is conducting to define Puerto Rico's future status.

Comrade Manuel Pineiro Losada, chief of the America Department, and Rafael Martinez, official of the department, also attended the meeting. Pablo Rivera and (Charles Moeler), members of the Puerto Rican Socialist Party Central Committee, were present for the Puerto Rican side. During its stay in Cuba, the pro-independence Puerto Rican delegation visited places of social interest and met with Foreign Minister Isidoro Malmierca.

Delegation in Luanda for Tripartite Meeting

FL0503133690 Havana Tele Rebelde Network in Spanish 1200 GMT 5 Mar 90

[Text] The eighth regular meeting of the joint tripartite commission on the agreements on southwestern Africa begin in Luanda, the Angolan capital, today. A Cuban delegation arrived in that city yesterday to participate in the meeting. The delegation is headed by Ricardo Alarcon, Cuban representative to the United Nations.

The Soviet Union and the United States, and observers and representatives of the UN group for the transition in Namibia and the constituent assembly in that country, will participate in the eighth meeting, in addition to Angola, Cuba, and South Africa.

More on University Students' Council Meeting

FL0503195690 Havana Radio Rebelde Network in Spanish 1800 GMT 5 Mar 90

[Text] The Expanded National Council of the Federation of University Students [FEU] met for two days. Commander in Chief Fidel Castro, first secretary of the Communist Party of Cuba Central Committee, was in attendance. He constantly exchanged views with the university students present at the meeting. The chief of the revolution said it had been an excellent, exceptional meeting and that the revolutionary spirit of the youths prevailed above all. Many things were clarified during the FEU expanded council such as the placement of graduates who major in economy, philosophy, psychology and other areas; the extent of study programs; and the importance and outlook of psychology and sociology in Cuba, said the first secretary of the party's Central Committee.

We have to be prepared for difficult times, said Fidel to the FEU youths, but we will defend here the history of this country and this is a great privilege. He added that our internationalist mission now is here in Cuba and we will know how to fulfill this honorable mission. We carried out our revolution, we defend it, and we will defend it above all, noted the first secretary of the Central Committee.

Felipe Perez Roque, president of the FEU National Council, told Fidel on behalf of all the students that the FEU is working so university students improve every day and that they are proud of living these times which, although tense, are beautiful.

The firmness of the young students was present at all times. The university is for revolutionaries. They said: We can help those who are confused but the university does not want those who do not love and think like Cuban revolutionaries. Youths must be honorable, firm, and courageous and he who is not faithful to the revolution cannot be in university. He who commits fraud cannot be in university. They reaffirmed: No to the weak, no to the timid! They said the dialogue is with the revolution and for the revolution. He who goes beyond those limits is not talking to us.

On the last day of work, the delegates analyzed the need to study languages in such a way that they can learn to read and speak them well. This not only depends on the curriculum but on the individual interest of students.

On the other hand, the political-ideological situation was analyzed at length. They confirmed that only revolutionaries can attend university. They also said the defense of the fatherland and construction of social projects are tasks for young people.

Castro Closes Meeting

FL0503142990 Havana Tele Rebelde Network in Spanish 1332 GMT 5 Mar 90

[Text] This meeting has been an excellent one and not a few believe it has been exceptional because of the mature ideas, the revolutionary spirit, and the depth of the analysis of the problems. This was said by Commander in Chief Fidel Castro during his closing remarks at the 11th Expanded National Council of the FEU.

The meeting was held at the Council of State headquarters with the attendance of some 280 university students, leaders of the party, the Union of Young Communists, and educational institutions.

The adequacy of the university admission policy and the teaching of Marxism-Leninism and its relation to Cuban political and philosophical thought were discussed, among other subjects.

The FEU Council meeting was scheduled to be held in one day but after 12 hours of debates on 3 March, the commander in chief proposed that the meeting continue on 4 March.

The teaching of languages, admission to higher education centers, academic fraud, and other topics were discussed on the last day.

Antisocialist Developments in USSR Noted

FL0503184390 Havana Radio Rebelde Network in Spanish 1255 GMT 5 Mar 90

["Our Opinion" commentary by Rafael Berastegui]

[Text] The elections held on 4 March to elect Soviets or government councils in the Soviet Union's Republics of Russia, Byelorussia, and the Ukraine were the first of the three legislative elections scheduled for this month. They are important in terms of determining the balance of power in East Europe. The results of the election for the 1,010 seats of the local Russian parliament, the 310 of the Byelorussian parliament, and the 450 of the Ukrainian Soviet will be announced in the next few hours. These three republics compose the vast majority of the USSR territory where two-thirds of its 290 million people live.

Shortly after casting his vote, Yegor Ligachev, member of the CPSU Politburo, warned against the development of anti-Soviet and antisocialist tendencies in the country. Ligachev said there are two totally opposite currents in Europe; one that wants to strengthen socialism and another that intends to dismantle it and head toward capitalism. This will be seen clearly during the legislative elections in the GDR on 18 March and in Hungary on 25 March.

To date, 43 political parties have registered in the GDR. Polls show the Social Democratic Party as the favorite, followed by the conservative Alliance for Germany which receives strong financial and organizational support from the FRG right wing.

Over 50 parties will attempt to obtain votes in Hungary. Polls give the greatest chances to the center-rightist Hungarian Democratic Forum and to the also conservative Alliance of Free Democrats.

Among the well-intentioned but unhappy people, pessimists, and confused and moderate people are the antisocialist forces to which Soviet leader Ligachev alluded in Moscow. There are even nostalgic archreactionaries. It's an ill wind that blows nobody good. Sayings, which express the people's ability of observation and wisdom, sometimes sum up precisely the essential matter of very complex social phenomena.

Vladimir, 72, chief of the imperial Romanov dynasty of the former tsarist empire, has just asked from exile in England that the monarchy be reinstated in Russia as a way to unify the country.

Otto of Hapsburg, heir to the dissolved Austo-Hungarian Empire, returned to Budapest in February and aspires to becoming president of Hungary this year.

It takes all sorts to make history in the Old World, even hopes for those who seemed to remain in fairy tales forever. Who knows? Perhaps the book of sayings will soon be enriched with another expression: Put your house in order and worry if retired kings pack their bags and knock at the door.

Castro Attends Opening of Women's Congress

FL0503211790 Havana Radio Rebelde Network in Spanish 2037 GMT 5 Mar 90

[Text] Commander in Chief Fidel Castro, first secretary of the Central Committee of the Communist Party of Cuba, is presiding over the first session of the fifth congress of the Federation of Cuban Women [FMC], which began a few moments ago at the Convention Center. With Fidel is Vilma Espin, member of the Politburo and FMC president who will give the opening speech for this event in which women from all spheres of the economy and services are participating. There are also about 300 guests and representatives of 90 women's organizations from 70 countries.

Experts Discuss Economic Cooperation With India

FL0603033190 Havana Tele Rebelde Network in Spanish 0100 GMT 6 Mar 90

[Text] The meeting of experts on economic cooperation between Cuba and India began today in Havana. On the Indian side the delegation was led by Deputy Minister of Foreign Relations (Prakash Sha), and for Cuba, Noemi Benitez, vice president of the State Committee for Economic Cooperation.

[Begin recording of unidentified speaker, in English with Spanish translation] There are some aspects of our economic relations where we could cooperate in a reciprocal way to the benefit of both countries. I understand that among the plans in Cuba there are programs for developing the tourism industry, and that there is a desire to have scientific and technological exchanges in agriculture, in the industrial sphere; there is also much we could do. [end recording]

In geographic extension India is the seventh largest country in the world and one of the most densely populated, with more than 746 million inhabitants. Its 22 states and nine territories produce cereals, grains, and spices, and are rich in minerals, among other economic categories. India has an independent, nonaligned foreign policy in favor of peace.

Groups Demonstrate Outside Home of Dissident

PA0503235790 Madrid EFE in Spanish 2229 GMT 5 Mar 90

[Text] Havana, 5 Mar (EFE)—Approximately 300 people gathered today in front of the home of Cuban dissident Sebastian Arcos, shouting revolutionary slogans against the dissident. Inside the dissident's home were seven people from various dissident groups,

including the owner of the house, his brother Gustavo Arcos, Indamiro Restano, and Samuel Martinez Lara, according to a telephone call from one of the dissidents. These people belong to the Cuban Human Rights Party and the Cuban Commission on Human Rights and National Reconciliation, three [as received] illegal dissident groups.

Meanwhile, the demonstrators expressed their support for President Fidel Castro, the revolution, and the communist system, shouting slogans such as: socialism or death.

According to sources, an incident was sparked when a neighbor called the dissidents worms and they answered in a provocative manner.

After that, the human rights activists locked themselves inside the house located in an outlying neighborhood, while more citizens joined the group.

The demonstrators include workers of the Julito Diaz Construction Brigade, health personnel from of a nearby hospital, uniformed members of the Interior Ministry—apparently off duty—children, and neighbors.

Some policemen were observed in the area, although they have not had to intervene.

Acts of this sort, described as a revolutionary reaffirmation and of repudiation, occurred frequently in 1980 when there was massive action on the part of Cubans who wanted to leave the country.

The dissidents said over the telephone that they fear the current situation will become an act of repudiation similar to the one in 1980.

* Difficulty in Obtaining Butter Explained

32480238A Havana GRANMA in Spanish 3 Feb 90 p 2

[Text] A change in the usual manner of distributing a product can create the illusion of scarcity. Such is currently the case with butter in Havana city.

Anticipated levels of national production were not achieved last year. Nevertheless, the quantity distributed in the capital ended up being 3 percent more than in 1988. There were problems with broken equipment in the food production lines at the Havana Dairy Plant in October, and this, of course, had repercussions in the market. In the months which followed the pace stabilized once again.

In January of this year, the capital received 215 tons of butter which was 20 tons more than anticipated. Why, then, have a number of consumers said they had to go to several stores in order to obtain this good?

GRANMA got an answer to this question from Antonio Gonzalez, director of the Havana Dairy Plant, the enterprise responsible for the production and distribution of butter in the city as well as butter production for the rest of the western provinces and the Isle of Youth.

Gonzalez explained that for some time now a number of stores with sufficient cold storage capacity to receive larger volumes have been given priority in the distribution of this dairy product. This does not mean it did not arrive at the so-called dairy distribution points, but several of these units received it with less regularity.

The objective of this method of distribution is to assure the availability of the product in those areas of a municipality which have larger numbers of people. The same fleet of trucks can make larger daily deliveries. Jose Luis Gil Ricardo, driver and distributor for the entire municipality of 10 October, and Leopoldo Rodolfo Alvarez Marrero, who does this in Marianao, noted that they, as well as the rest of their coworkers, would frequently arive at a dairy distribution point and leave only a small amount of butter because the cold storage capacity was insufficient to receive, in additon to fresh milk, large quantities of other products.

The objective reality is that consumption of dairy products has increased each year. Butter is no exception, and the cold storage capacity at dairy distribution points is the same as it was at their inception, with the aggravating factor that not a few pieces of equipment are in need of repair. In addition, when supplies are scarce, the demand for existing supplies increases.

The idea of better stocking the centers where sales are highest is a good one. Butter is not a product whose supply is controlled. Nevertheless, production has limits and does not meet the demand. What remains, then, is to continue to see to it that those persons who live far away from the priority markets and depend on the dairy distribution points are not without this food.

* Role of Quality in International Trade Viewed

90EM0101A Havana BOHEMIA in Spanish 5 Jan 90 pp 46-50

[Article by Alberto Pozo on interview with Jesus Larranaga, president of the Spanish Association for Standardization and Certification]

[Text] "The problem of quality as a strategic factor in competitiveness and social well-being is a political problem for each country as a whole."

This categorical assertion came as a pleasant surprise to me and as certainly very authoritative support for the work that we are engaged in in Cuba. At first I found it strange, coming as it did from a capitalist businessman of a very special stripe: the director of the international division of the FAGOR group, an association of 12 cooperatives on the Iberian Peninsula, and president of the Spanish Association for Standardization and Certification (AENOR), Mr Jesus Larranaga.

But that was only at first, because the world is changing fast. Even capitalists, swept along by the scientific and technological revolution, can no longer think just about their original share of the market. Now there are huge

"megamarkets" such as the European Economic Community, southeast Asia (Japan, South Korea, Taiwan, Hong Kong, Thailand, and others), and the United States of America, and although they consist of various countries, they operate in practice like wholes, homogeneous in their technologies, styles, and even habits. In practice this means that even countries must now join forces to survive.

I would add this as well: They are doing more than following the unavoidable premise of company-level planning, which has always been a condition for financial success; rather, such planning has become unavoidable for major industrial groups, which are now realizing, following Japan's lead, that close cooperation is required in a country among political leaders, businessmen, and the work force in order to survive and succeed. To put it in different language, such planning is still embarrassing, because they are not admitting it, but it exists.

Such thinking and such an attitude contrasts with those naive people who allow themselves to be carried away by the siren song of total free enterprise, unfettered competition, and free movement within markets. What we must admit is that in order for planning to be successful, it must be freed of the stifling mechanisms that bureaucracies in socialist regimes, with their obstinate mediocrity, are so accomplished at applying. We are taking an ax here to what is wrong, thus paving the way for the unhampered action of talent and of those who are obsessed with moving forward. This does not mean that clearing away the previous undergrowth will be easy.

Decisive Factor

"It is not enough for a company to be a model, competitive one. The country as a whole must be efficient." Larranaga goes on to say:

"Normally, quality is not a word with pull; it is not a concept that appears in political speeches. But it is a decisive factor in the living standard of peoples, in relative social well-being. It enhances a country's capacity to compete on the world stage, where trade and the relative position of countries are decided."

Larranaga came to Cuba as president of AENOR to take part in the seminar of the International Organization of Standardization for Latin America and the Caribbean that was recently held in Cuba. We approached him after his official address, hoping that we would could make an appointment with him later.

"Right now, what we would most like to do to help Cuba is to have these ideas, in which we believe, publicized throughout the population."

He took me by the arm, sat me down in the lobby, and began talking. I need not emphasize that he is talkative, but to this he adds a devastating charm reflected in a captivating smile and a loud, contagious laugh that conceals a softly imposing character. He is every inch a salesman, possessing that essential quality that is needed to win in markets and that we do not yet encourage or altogether appreciate here.

"This is why I'll tell you again, my friend, that quality has to be a variable that top politicians are very sensitive to and interested in. In the end, each country is a huge enterprise, and a shift towards quality will be successful only if top leaders embrace it and incorporate it into their language as a strategic factor, as an asset to the country. The issue is not an easy one, but it is necessary, vital, because the language of business is costs, quality, and image, which together define competitive products and services. And if we are to take part in this world, we have to prepare for it."

How Are We Doing?

To me it was not just a question of listening to him; it was a question of taking up what could be useful to our society, our way of thinking, our goals. Our country's number one requirement is to export so that we can resolve our foreign-exchange shortfall and, in the final accounting, guarantee our development and future. We must substitute for imports, which is just as important or even more so, because it is less expensive and because, by manufacturing these new products, we are preparing to sell overseas once domestic needs have been met. And we need to conserve and make optimum use of resources. Now then, the premise for this to work is to achieve international quality, in other words, to satisfy the needs of others and our own needs. Otherwise, the efforts lead nowhere; resources are wasted because consumers are not pleased, and the economy collapses.

What are we doing about it? First of all, Fidel has given an example, a symbol of the country's political will: "We must create a culture of quality." Achieving this is an extremely complex matter. But let us first expand on the previous premise. Let us go back to the program of the Communist Party of Cuba. Let us take a look at a key paragraph:

"...the gains of world science and technology must be constantly studied and assimilated, and national research must seek to solve the problems that arise from the very characteristics of our economy, bearing in mind, above all, the rapid incorporation of scientific accomplishments into social practice, with the increasing introduction of industrial design, as well as support from standardization and metrology in the economy. All of this will play an extraordinarily important role in the ongoing improvement of the quality of production and services, which represents one of the fundamental areas in which greater economic efficiency is manifested."

Commander Ernesto "Che" Guevara began this battle in 1961 when Cuba joined the ISO [International Standardization Organization], so that we could guide and monitor ourselves in accordance with the most advanced methods on the globe. An institute was created that in 1976 led to the State Committee for Standardization, the official watchdog of quality. It has worked hard to lay the

technical groundwork. Right now, a document that has been approved by the country's highest body contains the "Main Working Guidelines To Improve the Quality of Production and Services."

In other words, the will to achieve optimum quality is there. In the meantime, the deep-seated culture that is needed is being developed; that culture is sinking into the nation's awareness, and theory is becoming action. But this takes time, and under the circumstances we have no time to waste.

A Very Fleeting Impression of Cuba

Larranaga was attending the seminar and in fact had to leave before it was over. He had little time to see Cuba and admitted as much:

"My impressions are very superficial, but at least I have something I can relate to you. I was taken to a cigar factory, and the first thing I asked myself was: Why don't they mechanize production? I was told: Only manual labor can guarantee optimum quality in this type of product. And no doubt they're right."

I will make an aside here. Major research centers have found that consumers in the developed world tend to seek handmade items; they want products that have been humanized by the direct work of the human hand. Therefore, it is extremely important for us to develop craftsmanship, with two aims: the domestic market and international tourism.

"Nevertheless, I must emphasize to you," Larranaga clarified, "that I sensed great concern about achieving quality for exports. And that's as far as it went. This is a lame concept. We cannot link quality just to overseas sales. That might work temporarily for a given item. But in the long run you can't talk about stable exports unless the country thinks about quality overall, unless the domestic market is satisfied, unless quality becomes second nature to you."

This reporter thought to himself: This is happening to us, and not just in that cigar factory. The need to export has created this idea: Quality has to do with overseas sales. In building the culture of quality, our rank and file must correct this narrow idea that has now arisen from specific needs. Quality must become a requirement for the whole country, for each Cuban, for each worker.

"I also paid a visit to a television and radio factory. It was virtually shut down; an incredible number of machines were idle. I know that there are political reasons having to do with the current situation why this is the case, and out of respect for you and your topic, I won't analyze. I'll leave that aside. But I do want to use this example to underscore an organizational problem. Although machines are important, the resources for them to work are important too. If we want optimal labor productivity, low costs, and efficiency, everything has to be coordinated and interrelated in a sequence that prevents shutdowns, because here is where our economic efficiency suffers. This has to be achieved if we want to become competitive internationally."

Competitiveness and Total Quality

Larranaga got ahead of me and said that he could not amplify because he lacked specific knowledge about the country's economy. He then asked me if he could address two issues with which he is obsessed: world competitiveness and the Japanese with their "total quality" or total quality control. Carry on:

"I know that the debate on this kind of society, one that is highly competitive worldwide, can be heated. So the question arises: What's to be done? I have to limit myself to what I know and live with: competitiveness through quality. This is the 'key word' in economic and social development. The new realities entail redoubling efforts and imagination. There is no place for the timid; there is room only for the bold, for the groups that realize that the future depends on individual and collective talent."

When I consulted my notes on this interview, which began with Larranaga wanting to spend enough time on this topic, I noticed that specifics were lacking because the pressures of the forum prevented him from giving them. He wanted to come through, however, and invited us to the protocol house the next day. Nonetheless, no sooner had we sat down in comfortable armchairs than high-level commitments arose and made off with his smile, leaving a bitter aftertaste because the man wanted to keep on talking. So I turned to the pamphlet from his FAGOR group, which he himself was happy to hand out, while making some sort of comment to everyone and giving us a lesson in salesmanship. I found the answer, because he had not spoken to me about scientific research.

The pamphlet contained a graph entitled "FAGOR's strategic triangle," the three angles of which represented three concepts: training-research-technology.

I was especially interested in the concept of "research," without, however, downplaying the others, on which depends the development of new products that provide the "differential advantage" that may enable them to prevail in the marketplace because they meet three requirements for being highly competitive: uniqueness, because they offer something superior that others do not; desirability, because they meet needs more completely; and reliability, because their performance is dependable. Cuba did, in fact, place such emphasis on boldness and talent, as Larranaga is calling for, in 1960 when Fidel said: This will be a country of scientists. The harvest is already coming in. The field in which we can see it most clearly is medicine, in its technologies, in its pharmaceuticals, in its equipment. Everything else is a question of time, of talent, of a country united in a single will.

Japanese Strategy

"They lost the war, but they're winning the peace through their competitiveness, which initially revolved

around cost, later around quality, and now around the intelligent combination of cost-quality-technological innovation."

[BOHEMIA] And how have they proceeded in this silent war with the United States?

[Larranaga] They took the philosophy of quality from the United States, while the Yankees themselves continued to believe proudly in the strength of their technology, without realizing that man was the key to the new philosophy. They have just now discovered the qualitative leap forward, 30 years later, when they saw to their surprise that in their basic sectors, in the United States itself, the Japanese have cornered large percentages of their markets, ranging from 25 to 50 percent depending on the category. One of the apostles of quality recently underscored that the West is suffering from a crisis of quality and is in a state of confusion, and he pointed out the factor needed to respond to the crisis: introducing the planning of strategic quality into a company's strategic plan.

[BOHEMIA] Very well, Mr Larranaga, but how are you Europeans doing in the face of this Oriental threat?

[Larranaga] If we're not careful, they'll wipe us out. This is why in the European Economic Community we're implementing a new concept: the certified company. This is a process by which a company guarantees products of the highest quality, based on the standards of the ISO, so that they gain everyone's confidence, with an optimal cost/quality ratio. This is a step beyond product certification, which you Cubans have. In any event, we have to adopt the Japanese philosophy: total control of quality, by which they have destroyed the myth that mistakes are inevitable and replaced it with the idea of ongoing improvements. As for you, both in the ISO and in AENOR we're willing to give you our every assistance. This why we've come to Cuba. Remember this: Quality depends on a country's will. To achieve it you have to involve everyone and make them work under a system, motivating them in their work.

Larranaga has left us his views. And here we remain, immersed in our culture of quality, in our scientific and technological development, in our bid to develop products that can meet the challenge of world competition.

Dominica

Prime Minister Charles Hints at Early Elections

FL0503193290 Bridgetown CANA in English 1511 GMT 5 Mar 90

[Text] Roseau, Dominica, March 5, CANA—Dominica's Prime Minister Eugenia Charles hinted at an early general election on Sunday [4 March] when her ruling Dominica Freedom Party (DFP) presented its candidates at a rally. "...You should keep on listening to your radios every morning, because I may just get up one morning and say this is the day, you know," she told supporters at the rural village of Acoulibistrie, 15 miles north of here.

"It is countdown time, the election date will be announced anytime now," she said, urging supporters to conduct door to door campaigns in favour of the party. "Your job is to go from house to house and even if you get abused, remember you won't die from it ...," she added.

A general election is constitutionally due by October, but political observers speculate that Charles, the region's first woman head of government, may call a vote by May. The DFP holds 16 seats to the five of the labour party. A new third party, the United Workers Party [UWP], will be contesting the polls. Five of the ruling party's candidates are newcomers. They include school teacher Barbara Tonge who will contest the Marigot constituency in an anticipated intriguing clash with UWP leader Eddison James.

Another school teacher Maynard Joseph will contest the Vielle case, a constituency east of here and presently held by Alexis Williams of the ruling party. Former Senator Ossie Walsh has been chosen as the party's candidate in the Roseau south constituency held by Minister of Health Ronan David, who is the only member of Charles' cabinet not seeking re-election.

Steve Mellow, an employee of the island's social security, will contest the Grandbay constituency, south of here, while cable and wireless employee Murphy Wallace will try to unseat opposition leader Michael Douglas in the Portsmouth constituency which Douglas has held since 1975.

"The party is ready now," said the 70-year-old confident Charles, who wore a t-shirt with the words "doing it again under good leadership." The DFP came to power in 1980.

Haiti

Avril 'May Be' on Verge of Stepping Down

FL0503141290 Bridgetown CANA in English 1907 GMT 4 Mar 90

[Report by Rickey Singh]

[Text] Bridgetown, Barbados, March 4, CANA—General Prosper Avril may be on the verge of stepping down from power to make way for the creation of a new provisional government, according to political sources reached by telephone in the Haitian capital, Port-au-Prince. The change in government could come before next weekend, said spokesmen for the broadly-based nine-member movement, civil society, and the National Democratic Alliance headed by former presidential candidate Marc Bazin, who has United States support.

Exactly what should be the future of Gen. Avril is one of the remaining issues to be resolved within the next 48 hours, said leading Haitian human rights activist Jean-Claude Bajeux, whose organisation is a member of the civil society, which includes church, human rights, trade unions, and other social groups. Pressures for Avril to resign have intensified following the state of siege he declared last January 20 when there was a widespread crackdown on human rights activists and political opponents of the military regime.

One official of Bazin's democratic alliance, who wishes not to be named, told CANA on Sunday [4 March] that representatives of foreign diplomatic missions in Port-au-Prince, including the U.S.A and France, have been "actively involved in advancing the compromise strategy for Avril to hand over power any time now." He said that Gen. Avril himself has been involved in some of the negotiations for "a peaceful transition process but his future role in or outside of Haiti is still to be resolved." News of the imminent creation of a new provisional government has also come from the National Coalition of Haitian Refugees, a 47-member organisation of legal, human rights, church, labour, and Haitian community-based groups in the U.S.A. that regularly monitor developments in Haiti.

An original proposal from the alliance that Gen. Avril hand over the reins of power to the head of the country's supreme court—an Avril appointee—to be assisted by a military council of high-ranking officers to immediately arrange for new elections, has had to be amended after strong objections raised by the civil society. The society, headed by former exiled priest Father Antoine Adrian, had earlier proposed that a provisional coalition government representing various sectors of the Haitian society, take over from the Avril administration.

The compromise may now involve, according to the latest reports from Port-au-Prince, a provisional government under the leadership of a judge, other than the head of the supreme court, and including Haitians identified with the aims and objectives of both Bazin's alliance and Adrian's society. This provisional government is to "restore full constitutional powers" to the electoral council, as existed at the time of the aborted November 1987 elections. The council, which itself was faced with a split within its ranks last February 26, is to be fully in charge of the supervision of local government elections by April 29. This is to be followed by elections of senators and deputies for the parliament in July, culminating in presidential elections in October.

The latest initiative for ending the Avril regime coincides with an international report released on Saturday [3 March] by four human rights organisations urging systematic international pressures for a democratic government to be established in Haiti. The report, "Reverting to Despotism—Human Rights in Haiti"—is based on the latest fact-finding mission to Haiti by representatives of Americas Watch, the National Coalition for Haitian Refugees, Caribbean Rights and the International Commission of Jurists.

Released simultaneously in New York and the Caribbean on March 4, the report said that Haiti under Avril's rule over the past 18 months, "is once again the prisoner of a brutal despot who uses violence and terror to preserve his rule." Recalling the wave of human rights violations in January when Gen. Avril declared a state of siege, the report contains details of gross human rights violations; describes the sufferings of the Haitian people; and lists a number of demands, among them calls for:

1. International donors to maintain their suspension of assistance to Haiti's military government until power has been relinquished to an elected, civilian successor.

2. The United Nations Commission on Human Rights, currently meeting for its annual session in Geneva, to demonstrate clearly its concern for the state of human rights in Haiti by condemning abuses under the Avril government. Also, that it appoint a special rapporteur to investigate and monitor human rights conditions in this Caribbean republic.

3. Regional organizations like the Inter-American Commission on Human Rights and the Caribbean Community (Caricom) secretariat to "exert pressure" on the Avril government to respect its commitments to human rights and democratic elections."

"Time and again", the report states, "polished vows of movement toward democracy and respect for human rights have been contradicted by brazen brutality...."

Peasants' Organization Asks Avril To Resign

FL0503175590 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 2 Mar 90

[Report by Jacmel correspondent Wilder Thibaud]

[Excerpts] In a press release issued by the MPS, or Peasants Movement of the Southeast [Mouvman Peyzan Sides], the MPS says they admit the biggest slipup since General Avril has been leading Haiti has not been 1 November nor 22 November nor 20 January. The biggest [words indistinct] is the general himself; one who is hotheaded is a danger to the entire nation. The MPS committee says it has voted to become a part of the chain of national solidarity with all the other groups and political parties asking for Gen. Avril to relinquish power so the country can be unblocked.

They say they support the formation of a permanent committee representing the civilian society, as well as the proposal of the Unity Committee for the Respect of the Constitution. [passage omitted]. The MPS says it supports the three CEP [Permanent Electoral Council] members who have decided to suspend work as long as the nation's political situation remains unclear. Finally the MPS's committee declares: Before they rebel against the macoute government you have installed in the National Palace, before you have the blood of more

innocents on your conscience, before you sully the Army uniform you are wearing, before you bury the country completely under garbage and extreme poverty, for the flag and the fatherland we ask you, general, to resign

This press release was issued by the MPS, Peasants Movement of the Southeast, in Jacmel. This is Wilder Thibaud for Radio Soleil, Jacmel.

Demonstrators Demand Resignation

FL0603004790 Port-au-Prince Radio Metropole in French 1700 GMT 5 Mar 90

[Text] [Announcer] Our correspondent in Petit Goave informs us of an approximately 1000-person antigovernment demonstration in Petit Goave which began in the schools. Rothschild?

[Reporter Rothschild] There was an antigovernment demonstration in Petit Goave this morning. According to our correspondent on-site, the demonstration by approximately 1000 people was started by students in the schools. The students were later joined by other demonstrators who erected a flaming barricade across National Highway No. 2 and also proceeded to shut down public offices in Petit Goave.

The police arrested two demonstrators. The demonstrators are demanding General Prosper Avril's departure at any cost, and the release of their two fellow demonstrators.

Opposition Unites Around 'Common Alternative'

FL0503164690 Port-au-Prince Radio Antilles Internationales in French 1230 GMT 5 Mar 90

[Monitored in progress]

[Excerpt] ...Avril. Here is the content of the press release.

In the name of the nation's higher interests, the political parties, and the Unity Committee for the Respect of the Constitution that have signed this declaration, concerned chiefly with presenting to the nation a single alternative with which to replace the personal government of General Avril, met on 4 March and adopted the following:

First, Gen. Prosper Avril's personal government must resign because it does not inspire any confidence whatsoever in the Haitian people. Because of this, it is no longer qualified to guarantee the transition to democracy and valid elections.

Second, Gen. Avril's government must be replaced by a government of consensus and compromise composed of:

A. A member of the Court of Cassation who can be accepted by the Haitian people as provisional president.

B. A council of state comprised of representatives of several organized sectors of Haitian society; a council which is to oversee the general policy of the provisional government.

C. This new government's essential task is to create the political and institutional conditions to allow the holding of unfettered, honest, democratic elections.

D. Installation of the legitimately elected government cannot be later than 7 February 1991.

All the nation's children, both civilian and military, particularly those interested in democratic changes, are to mobilize on the basis of this political compromise to force Gen. Avril to resign as soon as possible and get the nation out of the current crisis.

Long live cooperative action. Long live democracy for Haiti. [preceding sentence in Creole]

This press release is signed by Dejean Belizaire for MNP-28 [National Patriotic Movement of 28 November], Marc Bazin for MIDH [Movement for the Establishment of Democracy in Haiti], Arnold Antonin for Panpra [Nationalistic and Progressive Revolutionary Party of Haiti], Emmanuel V. Beauvais for MOP [Movement for the Organization of the Country], Victor Benoit for Conacom [National Committee of the Congress of Democratic Movements], Edouard Tardieu for PPSC [acronym as heard—Social Christian People's Party of Haiti], Seymour Romain for PNDPH [National Democratic Progressive Party of Haiti], Walter (Floril) for UCH [Union of Haitian Constitutionalists], Sylvio C. Claude for PDCH [Haitian Christian Democratic Party], Rene Theodore for PUCH [Unified Party of Haitian Communists], Leroy Antoine for MDN [Mobilization for National Development], and Father Antoine Adrien for the [Unity Committee for the Respect of the Constitution].

The Haitian opposition has thus united around a common alternative. [passage omitted]

CEP Wants 'Political Conference' on Elections

FL0503203790 Port-au-Prince Radio Antilles Internationales in French 1230 GMT 5 Mar 90

[Text] The electoral council's [CEP's] management council is envisioning holding a political conference with all the nation's sectors. This conference is to be on the organization of the coming elections. The CEP's management council held a special meeting on 28 February and 1 March to continue its reflections within the framework of the points in the 26 February public statement of three of its members.

This CEP statement says further that each CEP member was able to speak out frankly on the juncture and to formulate and discuss concrete proposals. The following was decided: first, that the composition of the Departmental Electoral Bureaus [BED] would be reexamined,

considering well-founded contestations by political parties and populations concerned.

Second, it was decided to set up the mechanism necessary to hold an urgent political conference gathering the political parties and groups, the civilian society organizations, the representatives of the state's principal institutions, and the government. This is with a view to reaching the broadest possible minimal consensus and using the principle of elections as a means of helping the country get out of the current crisis, based on the mission of the current CEP management council.

Finally, it was decided to pursue the procedure undertaken with a view to obtaining missions of observers from the United Nations, the Organization of American States, and other foreign and national organizations to follow the ongoing electoral process.

The CEP's management council takes this opportunity to remind all interested parties and actors that, working in full independence as the electoral branch of the government, it chooses to believe that its compatriots, shouldering their historic responsibility and well aware of the difficult and dangerous nature of the general situation of our bruised, battered, and too-long-humiliated and desecrated Fatherland, will understand the need to give active and massive help to the CEP, indispensable tool for progressively building democracy in Haiti on the foundations of unfettered, honest, open, democratic, and peaceful elections.

This, then, is a statement from the CEP's management council signed by Dr. Louis Antoine Auguste, president; Jean Gerard Pierre, secretary general; Reverend Pauris Jean-Baptiste, member; Dr. Joseph Lesperance; Dr. Rony Durand, member; Attorney Gabriel Augustin, vice-president; Dr. Jacques Jovin, treasurer; Attorney Archange Leon, member; and Max Lelio Joseph, member.

Also, we must point out to listeners that Attorney Francois Latortue, president of the Democratic Movement for the Liberation of Haiti/Democratic Revolutionary Party of Haiti, has decided not to participate in the coming elections within the current context.

Government Asks UN, OAS for Election Help

FL0603001390 Port-au-Prince Radio Antilles Internationales in French 1230 GMT 5 Mar 90

[Text] A Foreign Ministry communique announces that the government of the Republic of Haiti, in agreement with the Permanent Electoral Council [CEP], on 23 February addressed an official request to the United Nations and to the Organization of American States with a view to having these two organizations provide them emergency technical aid to permit the CEP to finalize the planning and organization of the general elections scheduled for this year. The Haitian Government also asked that the two organizations send to Haiti a (?mission) of observers to be in charge of following the unfolding of the elections at every phase. This is a communique from the Ministry of Foreign Affairs.

Moderate Leader Invokes Constitutional Points

FL0603002790 Port-au-Prince Radio Metropole in French 1700 GMT 5 Mar 90

[Text] Dr. Volvick Remy Joseph, president of the MKN, or National Cooperative Action Movement, asks that any alternatives to replace the current government pass through the Constitution of 1987.

[Begin Joseph recording] The MKN is most surprised to see political leaders racking their brains to propose replacements for the presidency when there is no vacancy. Such a vacancy can depend only on the popular will or the patriotic conscience of the chief of state. The MKN, a legalistic and moderate party, notes with bitterness the contradictions and incoherences it sees in the different proposals or alternatives. Far from enlightening the population, they serve only to sow confusion and trouble people's minds. The only solution capable of rallying a certain amount of unanimity would lie in the strict respect of the Constitution. At this turning point the Haitian people can no longer afford to pay the price of dilatory proceedings and so the MNK wishes to invite the political class to bear the following points in mind:

1. The constitutional solution, should there be a presidential vacancy, must pass through the Court of Cassation.

2. Unfettered, honest, open, and democratic elections must be realized within the time period stipulated in the Constitution—90 days.

3. The military hierarchy must be respected and must provide full constitutional support for the civilian government.

4. Political parties and socioprofessional organizations must come together and reach agreement to accept and respect the rules of the democratic game.

Port-au-Prince, 4 March 1990, Dr. Volvick Remy Joseph, leader in charge of the MKN, a legally recognized political party. [end recording]

Article Says Opposition To Fail Ousting Avril

FL0503182390 Port-au-Prince L'UNION in French 2 Mar 90 No 314 p 2

[Article by Erick D. Carenet: "From Conspiracy to Conspiracy"]

[Text] The ANDP, National Alliance for Democracy and Progress, at midweek fell in with the contingent of recalcitrant people who have for some time been demanding the resignation of the military government of the Republic, claiming that elections would not be possible under this government. For the attentive observer, the leaders (?) [question mark as published] thus return to square one, that is, to the lame alternatives one will

recall inexperienced minds futilely came up with in 1987 to make Namphy step down.

Today's desperate cries are identical to those of yesterday. Their authors are the same men who have been maneuvering here since February 1986. In a way this does not surprise anyone. People with minds of a positive bent have difficulty, however, understanding why these opposition sectors, tied to a union of chance, put forth these impossible demands. Nevertheless, people believe that with all the Haitians now know, they are not naive enough to accept the opposition's extreme invitation to climb the greased pole. Indeed, from the "Democratic Accord" to the ANDP, passing through the romance with Namphy and the "attempted coup," certain men have taught the people much. The people believe firmly that if one were to examine closely the conduct of the politicians who are the big news today, one would realize that the Haitian political scene is peopled by clowns who can frighten only children.

Meanwhile, three members of the CEP [Permanent Electoral Council] have chosen to stop work temporarily. We will now have seen everything in Haiti! For the straight-thinking person, this is the game of a child because one can always force these three "deviants" to carry out the task for which they are paid, in lieu of accusing them of laxness for not having resigned.

Occurring at a time when the electoral process is coming along at a good pace, the irresponsible attitude of these three members of the CEP betrays a lack of patriotism. All things considered, one has the impression that they have taken over the phantasmagorical ideas of this enraptured sector whose only viaticum during the long transition period has been its inexperience, its lack of straighforwardness, and its impatience.

Therefore, it is felt that the petty scheming of these last few weeks will remain sterile. Outside of the noise that our "good gentlemen" can strain their ingenuity to make about strange matters that leave the people indifferent, they are condemned to failure, deprived of the popular support so indispensable in an undertaking of this scale.

Trinidad Paper Says 'Next Few Days' Critical

FL0503190090 Bridgetown CANA in English 1734 GMT 5 Mar 90

[Text] Port of Spain, Trinidad, March 5, CANA—The TRINIDAD EXPRESS on Monday [5 March] said that the next few days would be crucial in Haiti's possible steps toward democratic rule. Following reports from Haiti that General Prosper Avril might be considering stepping down, the paper's editorial called "New Hope for the Haitian People" said the event reflected international moves towards change.

"Times have changed however. These are not good times for dictators," the paper said. "Whatever the military resources (General Avril) still has at his command, he must know that that is only of limited use, given the determination of international donors to suspend assistance until Avril relinquishes power to an elected, civilian successor."

It pointed to the many times Avril's regime had promised democracy only to contradict itself with "brutal behaviour." "The next few days will be crucial," the EXPRESS warned.

"It is still possible that General Avril will be unable to bring himself to give up the aphrodisiac that is power and that Haitian politics will again become marked by brutality and bloodshed." The paper said that when Avril's exit does come, the Caribbean Community [Caricom] will at last find a Haitian role to play "and that is to help the Haitian people fashion the instruments of democracy, so familiar to us but yet so foreign to them."

Caricom has been included in calls to regional and international governments and agencies to exert systematic pressure on the military regime in Haiti for the creation of a democratic system of government in this Caribbean nation. The appeals came from four regional and international human rights organisations—Americas Watch, National Coalition for Haitian Refugees, Caribbean Rights and the International Commission of Jurists.

The "reverting to despotism" report by the human rights bodies is based on six separate fact-finding missions to Haiti. President Avril, who is under mounting pressure at home to resign and hand over power to a provisional caretaker government, has also been urged by the four human rights organisations to:

. End the policy of indefinite detention without charge and improve conditions in prisons

. Begin to implement the constitutional requirement of a police force separate from the military and under the jurisdiction of the Ministry of Justice

. Allow human rights monitors to investigate and report on abuses freely, including within the prisons

. Publicly declare that all those exiled during last January's military crackdown will not be further prosecuted if they return to Haiti and that they will be able to conduct their political activities freely.

El Salvador

UN Envoy De Soto Arrives for Talks on Dialogue

PA0603041190 San Salvador Canal Doce Television in Spanish 0311 GMT 6 Mar 90

[Text] Alvaro de Soto, special envoy of the United Nations for Central American Affairs, arrived in our country this afternoon within the framework of the sessions being held by the United Nations to resume the dialogue between the Salvadoran Government and the FMLN [Farabundo Marti National Liberation Front].

De Soto arrived at Comalapa Airport aboard a private aircraft together with a group of UN Blue Berets. It was unofficially learned that the UN envoy is bringing a response from the FMLN for President Alfredo Cristiani regarding the government proposal to resume the peace talks that were interrupted last October.

According to reports, Alvaro de Soto arrived in the country from Mexico, where he met with representatives of the Salvadoran FMLN guerrillas.

FMLN Commander Comments on Negotiations

PA0603035890 (Clandestine) Radio Venceremos in Spanish to El Salvador 0015 GMT 6 Mar 90

[Statement by Commander Ana Guadalupe Martinez, member of the Revolutionary Democratic Front, FDR, Political-Diplomatic Committee; date and place not given—live or recorded]

[Text] The topic of negotiations, apparently, is the center of discussion among the political sectors of our country. The Farabundo Marti National Liberation Front [FMLN] agrees with other democratic sectors who insist that now is the time for real negotiations. Another point of agreement is that the participation of UN Secretary General Javier Perez de Cuellar is not only important, but indispensable so a new dialogue will be fruitful. [passage indistinct]

After listening to Mr. Cristiani say on several occasions that the ball is in the FMLN's court, because he sent an offer [words indistinct]. The only thing we know is that he demanded, as a precondition, that the FMLN cease hostilities. That is the fundamental obstacle in starting negotiations at this time. The Salvadoran president is demanding a precondition. This means that, on the government's side of the court, preconditions have been raised to begin the negotiations to bring peace to El Salvador. Cristiani will respond to Mr. Alvaro de Soto [UN Special Envoy for Central American Affairs], who will soon arrive in El Salvador.

Cristiani Says FMLN 'Reluctant To Hold Talks'

PA0603005290 San Salvador Canal Seis Television in Spanish 0200 GMT 3 Mar 90

[Text] Salvadoran President Alfredo Cristiani said today that the FMLN [Farabundo Marti National Liberation Front] has adopted an inflexible and intransigent attitude, and is reluctant to hold talks with his government. The president was reacting to a warning issued this morning by the rebels that they will step up their actions to show that they continue to be politically and militarily strong following the Sandinists' defeat in Nicaragua. Cristiani has said that unless the FMLN stops its military actions he will not resume the dialogue, and added that the FMLN stance is at odds with the resumption of the talks.

[Begin Cristiani recording] I think the FMLN is the one that always avoids and rejects the dialogue and maintains an inflexible stance. We are not just asking for something that received the support of the five Central American presidents. We believe the entire people of El Salvador support telling the FMLN to stop its terrorist violence and to hold talks for a peaceful solution to the conflict. I think that the FMLN is intransigent. This does not mean that we believe they are weak or strong. This has not been a major factor for us, since we noted our wish to find a peaceful solution on 1 July. [end recording]

The rebels said today there is no democracy in El Salvador, which is why the armed struggle continues to be as legitimate as it was 10 years ago. On this matter, the Salvadoran president stressed that our country has been a democracy since 1980. He downplayed the importance of the FMLN statement, describing the rebels as a minority.

[Begin Cristiani recording] The only ones questioning democracy in El Salvador are the FMLN, and, to make matters worse, they constitute a minority in our society. I think that proof of our democracy is that groups that had formed a pact with the FMLN, like the FDR [Revolutionary Democratic Front], are participating in the democratic process. We are not going to say that our democracy is perfect. It is not, of course. However, we are all prepared to seek ways to improve it because we believe in it and will continue promoting it. [end recording]

On 28 February, Cristiani said that the rebels are weak following the Sandinist National Liberation Front's defeat in the Nicaraguan elections. Today, however, he said that it does not matter if the FMLN is weak or strong, as the end of the war through dialogue is more important.

Rosa Chavez Comments on Peace Efforts

PA0503120790 San Salvador Canal Doce Television in Spanish 0300 GMT 3 Mar 90

[Report by Marco Antonio Guevara]

[Text] San Salvador Auxiliary Bishop Gregorio Rosa Chavez said today that it is urgent that the most be made of events in Nicaragua to end war in El Salvador.

[Begin Rosa Chavez recording] The great challenge at this time is to take advantage of this moment, which could significantly help in El Salvador's efforts to end the war. This would require those who are involved in the peace process to be very cautious and wise because we must go beyond the preliminary stage and be aware that things are very complex. Therefore, peace is not around the corner. We will not achieve peace unless we have established the firm foundations required to end the war, which has been so painful, long, and has very deep roots. [end recording]

The Salvadoran bishop today accompanied the German Ecumenical delegation visiting our country to inquire into the persecution of churches in El Salvador and peace efforts in Central America. The delegation is made up of two representatives from the German Bishops Conference and three evangelic ministers. The delegation has visited President Cristiani, and will also meet the chairman of the Joint Chiefs of Staff and other authorities in the country.

Ungo Views FSLN Defeat in Nicaraguan Elections

PA0503134590 Paris AFP in Spanish 0129 GMT 1 Mar 90

[Text] San Salvador, 28 Feb (AFP)—Salvadoran left-wing leader Guillermo Ungo said today that with the Sandinist National Liberation Front [FSLN] defeat in the 25 February elections, the Salvadoran insurgency "has lost a strong base of political support."

Ungo—who participated in the Nicaraguan electoral process as an observer member of the Socialist International delegation, of which he is one of the vice presidents—admitted that the victory of opposition candidate Violeta Chamorro "is not a victory or a success for the Salvadoran Farabundo Marti National Liberation Front (FMLN)."

However, Ungo believes that "it would be a great error and an exaggeration to believe that the FMLN is being left without its main supporter."

"The FMLN has attained levels of autonomy, independence, and self-sufficiency," Ungo said, adding that the solution to the armed conflict in El Salvador has no prospects through the military solution.

Ungo expressed his concern because "fanatic" ultrarightist sectors in the government and in the Salvadoran Armed Forces believe the guerrillas are isolated as a result of the outcome of the Nicaraguan elections and may adopt even harsher positions against dialogue and negotiation as a means to end the 10-year-old war.

Ungo, leader of the Social Democratic National Revolutionary Movement, added that "if the Nicaraguan solution continues progressing positively, it will promote a Salvadoran solution through negotiation, possibly with U.S. Government support."

There is a need to promote a process in El Salvador similar to the one in Nicaragua, where through observers from international organizations, a "precarious" electoral system was changed, Ungo added.

Ungo said that the Nicaraguan electoral process has been "the most observed in the world, the most credible, and democratic," whose results surprised the Sandinists, the opposition, and even President George Bush's government."

Guatemala

Cerezo's Remarks on U.S. Envoy's Speech Cited

PA0603000690 Guatemala City PRENSA LIBRE in Spanish 3 Mar 90 p 2

[All quotation marks as published]

[Text] President Vinicio Cerezo has told the media that the U.S. ambassador in our country should first consult with his government before voicing opinions on human rights in Guatemala, because otherwise they are just his own personal opinions.

We are asking him to consult with his government before talking about the internal affairs of Guatemala, Cerezo said.

If he wants to give his opinions on Guatemala, he would have to do so as a private individual, and to do that he would have to resign his post as ambassador, Cerezo added.

Asked about the statements made by President Cerezo, who doubted whether the speech delivered by U.S. Ambassador Thomas F. Strook at the Rotary Club on 27 February was the official position of the U.S. Government, John Tracy, the information and cultural adviser at the U.S. Embassy, responded:

"As Bernard Aronson, the assistant secretary of state for Latin American affairs, told John Schwank, the Guatemalan ambassador in Washington, in a meeting held on 2 March, the statements made by U.S. Ambassador Thomas F. Strook in his 27 February speech at the Rotary Club in Guatemala City correctly reflect the policy of the United States."

"The text of the speech was carefully drafted so it would accurately reflect the position of the U.S. Government with regard to several topics. They include the defense of democracy, support for economic development, the efforts made to prevent the illegal trafficking of drugs, and protection for human rights."

"The contents of the speech should be understood within the framework of the 1989 State Department Report on Human Rights. On previous occasions, the ambassador and other U.S. officials had made reference to the

concepts included in the speech, both publicly and in private discussions held with the Guatemalan Government."

Meanwhile, Ambassador Strook said: "The speech I delivered correctly reflects the policy of my people and government. It was carefully written to emphasize the important points of this policy. I have no further comment."

Honduras

Callejas Gives Address on Economy, Debt

PA0403224890 Tegucigalpa Domestic Service in Spanish 0205 GMT 2 Mar 90

[Speech by President Rafael Leonardo Callejas from Presidential House in Tegucigalpa—live]

[Text] Fellow countrymen: Just four weeks ago at the National Stadium and before the sovereign congress, the people's representative and envoy, I swore to be faithful to the Republic and abide by and enforce the Constitution and its laws. On 27 January, before the Honduran people who had gathered there, and before you, millions of compatriots who were watching and listening to the country's television and radio stations, I thought very deeply about what guides my political thinking and the commitment of my government. The true Hondurans are the majority, not the minority. My oath compels me to be faithful to the Republic, and to take action in dealing with the destiny of the fatherland that is inspired by the guiding principles of my political thinking. These principles entail directing all of the government's actions toward uplifting the majority of our people who now live in poverty and despair. Faithfulness to the Republic, then, means being coherent, consistent, and basically honest with you, compatriots, who went to the polls to give me a clear and exact mandate that will permit changes in the country's social state, leading to a new era of coexistence in welfare, respect for the laws, and internal and external security.

The Republic, to which I promised to be loyal, is merely a form of government that consists of a liaison between the power you hold as a people and the embodiment of that power in the form of the president, who must now cope with the problems of guiding the state. I always said the struggle was hard. I never said it would be easy. I said I was ready, and I am, to devote all my physical and mental capabilities and my patriotism to the service of that greater interest called Honduras.

Today, after four weeks at the helm of the government, I have a clearer understanding of the problems that we had analyzed and underestimated because we did not have complete information, as we do now. This information gives us a picture of Honduras and its problems, which are really dramatic and alarming. I can almost say that Honduras is bankrupt. We have been slowly collecting all the information, all the statements, in sum, the host of data, facts, and statistics on the country's problems, until we came up with this terrible and discouraging outlook, which, in April and November of 1989, caused two of the international institutions handling the largest share of the world's financial resources to declare us ineligible for loans and other financial aid.

As I thought about becoming president during my inauguration, I made a true and sincere call, with firmly held beliefs from my humble nature, to maintain a permanent dialogue with you. What I sought, and what I seek, is to speak to my countrymen with the utmost sincerity and frankness so everyone will know what steps will be taken during my presidential mandate. I am fully aware of my status as president and the authority it entails. Yet I hope that all of us will be able to establish a dialogue, which will be essential in obtaining the best system of coexistence for our democracy. I also hope that in this dialogue, conducted by the nation, we may be able to find and build the postulates of the future in a climate of social and human contentment.

It is urgent that we establish the foundation for a new Honduras. That is why I said in January that to implement this whole program of social and economic transformation, in a constant and permanent manner and with a healthy economy, the national agreement that we are promoting becomes urgent. This is a social agreement that must harbor the loftiest sentiments of all our countrymen, be detached from political partisanship, group interests, or temporary successes. Agreement means sharing, discussions, and understanding, but it lacks the power to make decisions.

As president of the Republic, I have that commitment with the people. Because this is the time when Honduras should make a specific decision and have the answers for the challenges that lie ahead. I have been on television and have expressed my feelings of love and appreciation for the Honduran people. On 27 January, I urged all of my compatriots to break the cycle of poverty, lack of production, and the overwhelming burden of economic commitments made by Honduras. I demanded and still demand the cooperation of all Hondurans so we can begin to eliminate the unfulfilled promises and halt the inflation and squandering of natural resources.

Tonight I wish to briefly refer to certain aspects of the country's situation so they may serve as the framework for accurately gauging the true situation prevailing in our nation. The Honduran economy's most critical, serious, and worrisome problem is undoubtedly the size, growth, and persistence of highly significant fiscal deficits, meaning that we spend more than we have.

The main reason for the fiscal deficit is undoubtedly the amount of money spent by the government. The public sector's level of expenditures, particularly its annual growth rate, has exceeded the average of all developing nations in the Western Hemisphere. The government budgeted 2.174 billion lempiras for 1989, without

including the public sector's autonomous and decentralized entities, which represent one-fourth of Honduras' riches, while El Salvador, Guatemala, and Costa Rica spend one-sixth or one-tenth of their wealth. Nevertheless, the true budget spent in 1989 was 2.4 billion lempiras; we have commitments which exceed that 1989 figure by 600 million lempiras for 1990, plus other hidden expenses for 342 million lempiras.

I am surprised to learn that that our commitments for 1990 are more than 3,300 million lempiras. There is an unfinanced excess of government expenditures totaling 1,150 million lempiras. These deficits were being financed with foreign loans or with lempiras that we do not have. In the first phase of the expansionist period, foreign financing was easy to get. From the beginning of 1980 until 1989, about 70 percent of the fiscal deficit of 6 billion lempiras was covered with foreign financing. Almost 3,600 million lempiras were obtained through foreign loans. That is why we are facing this serious foreign debt problem. It amounts to $3,300 million. The monetary expansion to serve this fiscal deficit, meaning the printing of unbacked currency, was exceedingly high. It increased by almost 10 percent until 1985.

We should not be surprised then, that during this period, consumer prices have risen more than 70 percent.

Countrymen, that is the greatest tax a people can pay, the price of inflation, for each taxpayer is burdened. Starting in 1985, the financing of the deficit increased; it was no longer based on foreign loans, but on internal indebtment. Between December 1985 and December 1988, Honduras' foreign debt grew by 775 million lempiras, while the internal debt increased by almost 1 billion lempiras.

The existence of a disorganized economic system like the one I have just described means that the Honduran economy has suffered through a number of changes that prevented prices from being accurate. Our economy is functioning on prices that are not accurate.

Our exporters should be able to compete abroad. In this new, changing, and dynamic world, Honduras should be an exporting country. In view of this difficult and worrisome situation, we must urgently adopt measures, practically emergency measures, for the following areas:

1. Control of the fiscal deficit. This means that the government must spend less than what it is spending now.

2. Control of the monetary expansion. We cannot continue printing worthless paper money because that speeds up inflation.

3. Rationalize our trade policy and the currency exchange treatment given to imports and exports. The analysis made by the government clearly shows that the main reason for the present chaotic situation of economic and social crisis, which has created serious and deep difficulties for the Honduran economy, is, I repeat, the fiscal deficit.

We must pay attention to this area, so we can find a final solution to the critical problems of the Honduran economy. This solution, along with the rationalization of our trade policy and the currency exchange, deserves urgent and decided attention to prevent higher costs for the Honduran people. Many sectors, or shoud we say the majority, of Hondurans have not yet realized the scope of this situation.

We have lost all credibility before the international financial community. Recovering our credibility will require a major and serious effort and will take some time before specific results are achieved. This process must begin with a solution to the accrued payments problem, particularly with priority creditors. It is important for us to admit that we owe $30 million to the International Monetary Fund, $100 million to the World Bank, $20 million to the the Japanese Government, $10 million to the U.S. Government and its Agency for International Development program, and $40 million to the Inter-American Development Bank in accrued payments, plus the debt we have with Texaco for our oil bill, which will reach the $40-million level by the end of March. We have an overall accrued debt of $600 million [number as heard].

Consequently, it is important to emphasize that the adjustment program in our economy will allow Honduras to at least embark on the road toward the recovery of its financial credibility. Despite this problem—which includes debt for medicines, raw materials, and oil—privileged groups and official missions were granted $80 million in foreign currency at the privileged rate of two lempiras for $1 in 1989. We could have very well been able to pay our debt with the Texaco oil refinery and international medicine suppliers.

Therefore, it is important to realize the need for eliminating—and it will be done—privileged groups, because there are some important people who have used their influence to get and maintain privileged positions. This has impaired our economy in many cases. The incoherent use of foreign currency, which I mentioned, is a clear example of what I said previously. We currently have a system in which the foreign exchange market's operations are the exception and where free private enterprise, in activities where it is allowed, does not imply freedom to import and compete in the local market, but rather the freedom to do whatever you want within a context of protection and privileges.

The government opposes both an ideological and state intervention, and a self-interested and discriminatory intervention. The two conspire against the country's economic growth and development and, therefore, against the people's social welfare. The policies that the government, my government, will adopt are designed to

take into consideration their main role in restoring stability, solving the trade balance crisis, controlling the inflation process, which affects us so much, and reducing the fiscal deficit to levels that are compatible with the prices and foreign exchange rate stability. The policies will also be aimed at sponsoring a more productive and efficient use of the country's economic resources and at attaining an economic growth that benefits the Honduran people.

We must all realize that we have to achieve economic growth again. The fact that the program is based on fiscal, monetary, and credit measures should not make us forget that the only true goal of our economic policy is to improve the population's living conditions and welfare in general, particularly the less favored groups in our country. We must achieve economic growth as an essential prerequisite in improving the people's living conditions and welfare in general, so most of the program's policies are designed with that goal in mind. Within this framework, special attention and financial resources will be assigned on a priority basis to social programs. It is quite evident that the country's social policy, until now, has been inadequate despite the impressive and increasing fiscal expenditures. Honduras is still, and it has been for a long time, one of the poorest countries in the Western Hemisphere.

Poverty today is even worse because of the lack of food that results from the farming and cattle sector's inability to produce. However, it is incredible that in the last 10 years we have spent 5 billion lempiras for the agricultural sector and yet we still have to import corn to feed the Honduran people. We must face these contradictions seriously to give the farming and cattle sector the priority it deserves.

Our government does not believe in giving economic support to public institutions in the amounts that I have stated here while the Honduran people lack the basic foods.

The health, education, nutrition and literacy indexes are still very worrisome. All of these characteristics prove that Honduras has not moved very far on the road to economic and social development. We are still poor. However, we have a clear opportunity to change this, although we have come to realize that a large part of the benefits of the social programs are received by groups that cannot be labeled as poor. We have this incredible opportunity to retake the path of building social justice.

The government will adopt a new strategy by which we are going to constantly rectify the defects and limitations of the traditional viewpoints that still prevail. At the center of this strategy is the government's determination to see that most of the benefits of the social policies and programs will go to the poorer Hondurans.

Hondurans, the challenges facing us are enormous. Their causes correspond to an era of deplorable traditions in which it was forgotten that the government has to serve all of us and not a few. The evil effects of those traditions are affecting all Hondurans. Today, unfortunately, we are carrying heavy socioeconomic burdens, which cause distress for Honduran families and create many concerns for the peasants and city workers. No one escapes the effects of this on our economy, except those who have always lived off our country's misery and poverty. However, government justice is heading their way; therefore, no citizens will feel at a disadvantage regarding other citizens or public or private enterprise.

As president of the Republic, I reiterate my patriotic will to remain by the sides of those who have been suffering because of this deplorable situation, caused by plundering, indifference, and lack of organization. I proclaim my solidarity with those who work for progress and justice. I am determined to fight everything that opposes correcting the situation. I ask for your understanding and support because they are necessary for the objectives and strategies of the plan we have to implement, as the best solution, to face the enormous problems that today require the country's sacrifice.

I want history to remember this generation of Hondurans as the most patriotic, disciplined, and responsible in making serious decisions that will lead to a sure and reliable path needed by the country. The Honduran people have entrusted me with this task.

What I have said here is merely an outline of the country's reality. That is why tomorrow, I want to see here with me, before these cameras and microphones, the capable Hondurans who are members of my cabinet and who have been chosen to share reponsibilities during my administration.

They will explain the measures that will allow the realization of a program that will be the foundation for the establishment of a sound, stable and growing economy in Honduras.

I am sure that what I have described so clearly here to the Honduran people will allow you to understand that most people will benefit from the measures we are going to adopt, that the economy will take a new path, and that the bases for growth will be so solid that we will soon see the scourge of poverty gone from Honduras. Good evening.

Nicaragua

UNO Leaders View FSLN's Role, Proposals

PA0503141590 Managua BARRICADA in Spanish 28 Feb 90 pp 3, 6

[Text] Leaders of the UNO [National Opposition Union] Political Council last night told BARRICADA that they saw no problems in the announcements made by the FSLN [Sandinist National Liberation Front] defending the institutionality of the Army and Mint [Interior Ministry]. However, they pointed out that UNO will promote "a program to make the Armed Forces more professional so they will not respond to party interests."

Jaime Bonilla pointed out that "we have always insisted that whoever won the elections, won everything, and, by the same token, whoever lost the elections, lost everything. The FSLN should become part of the opposition, and I agree with President Daniel Ortega's message when he says that they will try to rule from below."

Bonilla added: "I understand that to rule from below is to have as much influence as possible so the government will represent the aspirations of the FSLN. Naturally, this will be, in part, because we also have our own aspirations. All of this will be brought before the National Assembly, and there we will discuss the FSLN's proposals."

Bonilla has advocated a "government of reconciliation without any type of revenge. We are not planning to dismiss government employees," he added.

"We are going to represent the aspirations of everyone, including the Sandinists," he emphasized.

Bonilla agreed with President Ortega's proposal of preserving the institutionality of the Army and Mint. However, he pointed that "these institutions will have to be turned over to new persons who represent UNO, and the ministers and deputy ministers will have to be civilians."

Bonilla added: "We have never said that we are going to abolish the Army and Mint. What we are saying is that we are going to reduce these structures to levels that correspond to the size of our country, and according to UN and OAS recommendations that we are going to request."

He concluded commenting: "Concerning the role of the police, we have said that the State Security Corps has to disappear, but the police must continue to guard the order of the Republic."

Meanwhile, Dr. Gustavo Tablada said that "he was concerned about some aspects of President Ortega's speech" during a huge rally "where he practically conditioned the transfer of power to the demobilization of the contras and the release of captured persons, something not contemplated in any way in the electoral process."

However, he pointed out that "as UNO, we agree with the immediate demobilization of the contras and the release of all captured persons, but that is something that is not up to us to resolve."

"We agree this situation should be resolved as soon as possible, but we do not feel that this should be a condition for turning over power."

As for the EPS [Sandinist People's Army] and Mint, he said that they should be maintained as institutions of the government and should be "under the leadership of the new government that will be established."

Concerning statements by President Ortega to the effect that the Sandinists will strongly defend the revolutionary achievements, he said that "we see no problems there, because according to our platform, the agrarian reform program will continue. Likewise, UNO is in favor of preserving all of the people-owned sectors."

He warned that the property that was purchased will not be returned to its original owners, "even more so if people are living there or if government institutions are operating there. These cannot be returned to anyone."

Adolfo Jarquin, vice president of the PSD [Social Democratic Party], has said that he hopes the main principles of the revolution will be maintained. He emphasized that "we want a national democratic revolution that will provide guarantees for the peasants."

Jarquin added: "If we proclaim in our government platform that we will uphold social justice, we must preserve the achievements of the people."

Jarquin agrees with the president's proposal for the immediate demobilization of the contras "because this is a democratic process and there is no sense in one Nicaraguan fighting with another Nicaraguan."

"We must be very clear," he said, "that these elections have serve to establish the bases of a democracy and we cannot claim there is the persecution of war."

Jarquin then said: "I see no reason why, claiming there are no guarantees, we cannot promptly conclude a rapid demobilization because, in fact, we see that there are such guarantees."

Meanwhile, Roberto Urroz said he was in favor of "an orderly transition," and he pointed out that the agrarian reform program will continue."

He added that the FSLN "is truly a strong party that will be in the opposition and that it can undoubtedly compete in the 1996 elections with very good possibilities."

Chamorro Announces Plan To Ease Return of Exiles

PA0503155690 Managua LA PRENSA in Spanish 2 Mar 90 p 3

[Report by Ana Maria Ruiz]

[Text] President-Elect Violeta Chamorro has announced a general amnesty and measures to help all Nicaraguans who left the country during the decade of Sandinist rule to return to Nicaragua.

Chamorro's main advisers have revealed a plan contained in the new government's Agenda for the Rescue of the National Economy, which will exempt from taxes all Nicaraguans who return to the country with their personal possessions, including vehicles and furniture.

It is estimated that half a million Nicaraguans left the country during the exodus caused by the political problems of the past 10 years, and most are living in the United States, the other Central American countries, and Canada.

The three places where the majority of the exiles are concentrated are Miami, Honduras, and Costa Rica. Many of them have not legalized their residences abroad and, upon learning of the fall of the Sandinist regime in the elections, have begun making plans to return to their country.

President-elect Violeta Chamorro, working closely with her five-member transition team, has given personal priority to creating a stable climate so "everybody can come and live in peace in their country, Nicaragua."

Chamorro, immediately after her victory, called on the contra rebels to demobilize immediately, while accepting and celebrating President Ortega's call for a cease-fire by the Sandinist Army.

Chamorro has been clear in stating that the civil war has ended in Nicaragua and is putting all her energy into reaching an effective peace. The heads of the respective transition teams, Antonio Lacayo for the president-elect, and Humberto Ortega for the outgoing president, are already working on that matter.

Chamorro Advisers Outline Economic Plan

PA0503133390 Managua BARRICADA in Spanish 1 Mar 90 pp 1, 5

[Text] Mrs. Violeta Chamorro's economic adviser Francisco Mayorga yesterday threatened to expropriate and privatize productive organizations and state enterprises—whether they are cooperatives or private groups—which he believes are "unproductive" and "idle" and are working at or below 50 percent of their installed capacity.

During a news conference yesterday at the La Bambana nightclub, Mayorga threatened to confiscate, expropriate, and privatize land or property he believes "was unjustly confiscated" during the 10 years of revolution.

"We will return land to owners who are interested in making it productive," he maintained.

He added that the UNO national plan outlines the economic strategy that will be followed, and emphatically said this means "significant changes" in the economic structure of the country. Then, Mayorga added, this means that all "idle and misadministered" enterprises of the state apparatus would be virtually transferred to the private sector.

Consulted analysts said that Mayorga's threatening speech is against the established Constitution, because constitutional Articles 103 and 104 clearly establish the existence and preservation of public property, cooperatives, and associations.

Alfredo Cesar, another of Violeta Chamorro's advisers, disagrees with Mayorga's statements and said that those affected by confiscations or expropriations could request revision of their cases, but added that land or enterprises being used will not be returned to their owners. However, owners will receive compensation from the state.

"If it is determined that the confiscation was illegal, the state will compensate the owner, but will not return the property to him," Cesar told local and foreign journalists yesterday at La Bambana.

According to Cesar, there are "many" proposals for foreign financing, but he gave no details on such proposals. "We still have to work (on the proposals)," Cesar added. Mayorga gave no details during the news conference and was rather moderate when commenting on the possible foreign aid. "We hope it will be generous," was all he said.

So far, the Bush administration has not revealed the amount of financial aid it will give to the future UNO government, although it is well known that the U.S. priorities are the "so-called" East European countries such as Hungary, Poland, and Czechoslovakia, to which it has offered ridiculous sums of $100 million. According to press reports, Poland alone needs at least $1 billion.

Cesar did not want to assure that during the first 100 days of the UNO government, UNO will solve the country's economic problems as promised during the electoral campaign. He believes that more than five years will be required to recover the country's productive capacity.

Nevertheless, he said, the UNO government plan mentions a 100-day "emergency period," which includes special measures to halt inflation, finance the 1990-1991 agricultural cycle, and reactivate economically depressed factors. Cesar did not want to admit that the most needy sectors will bear the heaviest burden, since reduction of the national budget is included among the measures.

"During the first 100 days, the government will adopt fiscal and monetary measures, and other measures that affect the exchange system and internal trade," Alfredo Cesar predicted without giving further details. "The measures seek to attain a change in the national economy in 100 days," he said.

However, economic analysts estimate that without an investment of at least $400 million, there will be no progress during the UNO economic emergency period, and workers and peasants will be the most affected because, if the government reduces the national budget; health, social welfare, and education services—among others—will decrease significantly.

Analysts believe that the first 100 days of "emergency" will be full of anxiety, speculation, and social discontent.

Communist Leader Eli Altamirano Interviewed

PA0503145890 Paris AFP in Spanish 1043 GMT 5 Mar 90

[Report by Arturo Gudino]

[Text] Managua, 5 Mar (AFP)—Eli Altamirano, secretary general of the Communist Party, said here today that president-elect Violeta de Chamorro had warded off an attempted "coup d'etat" by the Sandinist National Liberation Front (FSLN), which lost power in the elections on 25 February.

In statements to AFP, Altamirano, whose party was a member of the victorious National Opposition Union (UNO), said that in the first talks with the Sandinists, the latter said that "there was a sine qua non condition for them to relinquish power—that the Interior and Defense Ministries be reserved for the Sandinists."

The Communist leader said that in response, Violeta Chamorro said: "If you are attempting to carry out a preemptive coup, go ahead, but we are not going to negotiate on it."

Altamirano did not say when the incident occurred or who the spokesmen were on either side.

UNO and the FSLN, represented by Antonio Lacayo, adviser to the president-elect, and by General Humberto Ortega, respectively, began talks early this week to ensure a peaceful transition of power on 25 April. On another subject, Altamirano, 55, a longstanding Communist who describes himself as "100-percent Marxist-Leninist," and a firm defender of the dictatorship of the proletariat, said that "there is no contradiction" between his defense of "the ideology of the working class" and his participation in an alliance with rightist parties.

"If you read UNO's program of government, you will see that word for word, letter for letter, it reflects the postulates of the democratic revolution that will open the way for the installation of socialism in Nicaragua. It is definitely also a program that, without mentioning the word anti-imperialist, is anti-imperialist in essence," Altamirano said.

Referring constantly to "historical materialism," "objective analyses of the situation," and "development of conflicts," the Communist leader granted an interview to AFP in his party's sober office, where individual photographs of Marx, Engels, and Lenin are prominently featured behind the desk, flanked by large red flags with the hammer and sickle.

According to Altamirano, the Communists disassociated themselves from the FSLN because the commanders, "like good Bonapartists, fell in love with power, weapons, and militarism, and disregarded and crushed the voices of democracy, to take the path of war."

The Sandinists could have avoided the war with the contras by doing what they did in the end, opening the way to democracy, Altamirano said.

"The war of aggression is the fundamental cause of the country's social and economic setbacks, and the Sandinists are mainly responsible for the consequences of this war," he said in his grandiloquent style.

Asked why the Communists did not support the revolution, Altamirano raised his voice as if to make a public address and replied: "Which revolution, comrade? There was nothing of the sort here. There was a revolt, an armed takeover of power, which provoked tremendous backwardness."

The Communist leader accused the Sandinist commanders of abandoning all of the reforms they initiated. "Only the agrarian reform remained, but it has not improved the peasants' lot or stimulated the economic take-off."

Although an orthodox advocate of theses that have been wiped out in East Europe, Altamirano says that he admires Mikhail Gorbachev's perestroyka and considers himself an out-and-out enemy of Fidel Castro. "There is no revolution in Cuba, either; there is only Castrolism, a personal dictatorship. Fidel is the state, the party, the working class, the constitution, history, and the future. Please, do not call this a revolution."

In this regard, he said that if the Soviet Union was to suspend support for Cuba, "nothing would be left on the island because its socialism is fictitious, parasitic, and similar to that which the Sandinists tried."

He said, however: "We the Nicaraguan Communists, who will never change our name or betray the ideas of Marx, Engels, or Lenin, will vindicate the name of communists."

After "the democratic stage of the revolution," which he thinks will start with the government of Violeta Chamorro, Altamirano "glimpses genuine socialism, with a dictatorship of the proletariat that will not hesitate to repress its enemies, just as no ruling class fails to do." These enemies, he said, could be the government's present allies.

Although he praised the 13-party alliance that will initiate a "national salvation government," Altamirano unhesitatingly criticized "those who came from abroad, out of the blue, to secure political careers." He seemed to allude to Alfredo Cesar, the influential adviser of Violeta Chamorro.

"Cesar has the right to aspire to the presidency of the congress, but he will be only one more candidate," Altamirano said.

Asked about his aspirations for the post of defense minister, Altamirano said: "Those are rumors only, but I am willing to accept the post nevertheless because of my moral and political authority."

"I am a person many people might think about because, to do such delicate work in this area, it is essential to possess high morals and top political-ideological training. In addition, one must be able to elicit a response from those who listen."

"This is why I am seen as a strong candidate. If I am appointed to the post, I will do my duty with my heart

and there will be peace, order, and progress. The people will again embrace the soldiers of the homeland as one embraces his brother," he said.

This old Communist, a metalworker, is proud of the work carried out by his party, which has "set the course" toward the Communist ideal.

Carrion Says Army, Mint Guarantee Peace

PA0603044190 Managua EL NUEVO DIARIO in Spanish 5 Mar 90 pp 1, 8

[Text] During a Sandinist assembly held at Ramirez Goyena Institute on 4 March, Commander Luis Carrion announced that the armed institutions created by the revolution are the main guarantee for peace for all Nicaraguans. He added that the nation's security is dependent on these institutions. Carrion also announced a salary increase for all public servants to become effective before 25 April.

Carrion noted that in its Plan for Struggle the Sandinist National Liberation Front [FSLN] had vowed to reclassify salary scales, and it will keep its promise. He added that the war disabled, the mothers of heroes and martyrs, and all those who receive assistance or pensions will also get increases.

Referring to the preservation of the Army and the Interior Ministry [Mint], he recalled that these armed institutions are legal and constitutional. Furthermore, he said that they guaranteed the purity and honesty of the elections lost by the FSLN. Carrion asked: What better proof of the quality and guarantee of these institutions?

The revolutionary leader also stressed that the FSLN is an indispensable force to guarantee the country's stability. He noted that UNO [National Opposition Union], out of a minimum sense of historical responsibility, must recognize this. Otherwise, it will be responsible for throwing the country into chaos.

He stressed that to avoid this the only guarantee will be to preserve the armed institutions, which will thus continue to guarantee peace, democracy, and sovereignty.

Carrion noted that with the election defeat the FSLN lost positions of power. However, he added, the power of the organized people still prevails and that will be the power to stop any attempt by the counterrevolution.

Commander Carrion explained to the FSLN rank and file that the moment is delicate and complex because there are certain UNO individuals, fortunately a minority, who hold extremist positions, positions that are also found within the U.S. Government and that can unleash an offensive against the FSLN.

He said that the danger of a U.S. intervention has not been ruled out if the United States finds excuses or arguments to justify its position before the international community. He stressed that his party's stand before and after the elections is to fight for peace.

Carrion said: "The people, who have defended their basic achievements with their blood, will not permit any abuses. UNO has the key to peace or war, and the FSLN continues to defend peace."

The people depend on these achievements, he added, and urged party members and sympathizers to remain active and alert and not to yield the streets as long as basic achievements are not consolidated, and these achievements, he said, include preserving the Armed Forces.

He stated that an effort must be made to prevent the UNO gangsters and lumpen from becoming bold and attacking the people. We must remain in the streets to avoid aggressive actions, and not to provoke them.

He mentioned that there is uncertainty in many homes of people who voted for UNO. They are afraid to lose their homes or other acquisitions that the revolution allowed them to achieve. Regarding the defense of these acquisitions, he said that the Sandinists must not be sectarian. We will defend those people too, Carrion noted.

In conclusion, the Sandinist leader disclosed that there is a bill to transfer state-owned property to those who live on this property.

However, he warned, this will be a guarantee that is relative, because the only way to prevent eviction is through organized struggle.

Some workers proposed to turn enterprises of the People's Property Area (APP) into cooperatives. Commander Carrion responded that, instead of that, the people must continue to defend the way things have always been done.

He warned about the danger of forming cooperatives because it could result in divisions, breaking the solidarity of the working class and, thus, the workers' unity.

In addition, he said, the new government will have the power to eliminate any enterprise, and therefore the best way to defend the people's property is by remaining united.

Army Deploys Forces To Counter Contra Actions

PA0603144590 Panama City ACAN in Spanish 1234 GMT 6 Mar 90

[Text] Matagalpa (Nicaragua), 6 Mar (ACAN-EFE)—Approximately 300 contras tried to attack the northern town of Wiwili and an additional 300 advanced toward the central region of Nicaragua, resulting in the deployment of Sandinist People's Army forces to the northern area of the country on 4 March.

Colonel Manuel Salvatierra, chief of the 6th Military Region, consisting of northern Jinotega and Matagalpa Departments, revealed last night at a news conference

that he could still not give details of the operations, which include infantry troops and helicopter gunships.

Salvatierra stated that the Sandinist troops engaged in combat on 4 March when the contras, organized in groups of 40 armed men, were located nine km from Wiwili, 60 km from the Honduran border.

The military commander said that prior to their approach to the town, the anti-Sandinist rebels interrupted traffic on the road to Wiwili, Jinotega Department, and Quilali, Nueva Segovia Department, both located on the Honduran border. The other group of 300 contras moved deep into the northern Nicaraguan mountains with the intention of advancing toward the 5th Military Region (located in the central area of the country), which includes Boaco and Chontales Departments and part of the southern Atlantic region.

Col. Salvatierra answered the reporters' questions, stating that "it is still not clear" what the contras' intentions were in carrying out "these two dangerous actions," but "we have adopted defensive measures to neutralize them," he added.

Salvatierra added that approximately 1,700 contras are advancing through the 6th Military Region, where they "have traditionally operated," but approximately 600 rebels have been trying to provoke desertions within the Army since 4 March, as a result of the 25 February elections outcome.

According to Salvatierra, "there have been no major problems regarding desertions" in the military region under his command, "and we are even carrying out a program to demobilize young people who have completed their military service."

The military commander said that the contras continue to operate against the civilian population, particularly attacking "well-known Sandinist militants," some of whom have even been assassinated.

He said that the contras kidnapped three civilians and killed another one during the weekend in El Sisle, Matagalpa Department.

Ortega Addresses High School Students 5 March

PA0503225290 Managua Domestic Service in Spanish 1730 GMT 5 Mar 90

[Speech by President Daniel Ortega at the Maestro Gabriel High School in Managua—live]

[Text] We are inaugurating this new school year amidst truly important conditions for Nicaragua's future. The Sandinist people's revolution and all of the political groups that recently participated in the electoral process were subject to the most difficult test of fire that our revolutionary process has ever faced. The 25 February 1990 election results represent a consensus of all the voters, of all those who cast their ballot for one of the 10 political possibilites that each citizen had at the time they voted. That consensus is one which favors peace, stability, and democracy in Nicaragua.

No Nicaraguan cast his ballot in favor of war, destroying the country's economy or destroying the country's education. Instead, we all accepted the challenge of participating in an electoral process because we were convinced that the Nicaraguan people would not achieve peace through the war imposed by the U.S. Government or the terrorism and violence imposed by the U.S. Government. We did it because we were convinced that the best way to achieve peace was to strengthen, consolidate, and develop the essential issues of the Nicaraguan process, meaning those which guarantee democracy for all the Nicaraguan people.

The biggest winner in these elections must be the Nicaraguan people. The biggest winner in these elections must be the young people of Nicaragua. The biggest winners must be the heroic mothers, the mothers of the heroes and martyrs, mothers of the kidnap victims, the mothers of the combatants, and the mothers of the mobilized youths.

The major winner has to be Sandino. The major winner has to be the blood of our heroes and martyrs. They are the biggest winners in this democratic process, which poses a challenge to all Nicaraguans. Will all Nicaraguans be able to act with due flexibility and a sense of realism? I can say that this will be the case, insofar as it concerned the government that I headed to defend the people's interests, the nation's interests, Sandino's red and black flag, and the FSLN [Sandinist National Liberation Front]. I can assert that the FSLN and the revolutionary government have been the main defenders of these gains.

We have given lessons in flexibility. We have given lessons in generosity. We have given lessons in patriotism. We have given lessons in dignity during a process of negotiations that we promoted ourselves to find a peaceful solution to the war, to the blockade, to the economic embargo, to the mining of our ports, and to the murdering of Nicaraguans, caused by the United States.

We sponsored the Contadora negotiation process. We sponsored the Central American countries' negotiation process. I personally participated and led the negotiation process that resulted in the contras' dismantling, which resulted in the contras' strategic defeat with the people's combat strength and international cooperation, and which also resulted in these elections with the participation of international observers from all parts of the world, particularly the United Nations, the OAS, and the Carter group.

Therefore, I can assert on behalf of the revolutionary government and the FSLN that we have certainly struggled for peace, and today, more than ever, we are prepared to defend that peace! [applause] I want to announce to all Nicaraguans that we have certainly struggled for justice, liberty, and the people's interests, and today, more than ever, we are prepared to struggle

for the defense of that justice, for the defense of the people's interests, and for the defense of liberty! [applause]

Within a few weeks, I, along with the FSLN and the noble and courageous Nicaraguan people, will be governing from below [applause and shouts], and there will be a new government here in Nicaragua effective 25 April 1990. [boos]

The new government has pledged to solve the economic problems that the government I presided over could not solve. I will be the first to congratulate them if they manage to solve these economic problems. [applause] I will be handing them a Nicaragua that has 1 million students. They have a moral and political commitment to the mass of voters who vote for them. They have the commitment to keep those 1 million students studying in Nicaragua. [applause] I will be handing them a government that has 30,000 teachers. They will have the responsibility of not dismissing a single teacher. [applause]

I will be handing them a government that gives free transportation to teachers and students. They will have the obligation to keep free transportation for teachers and students. I will be handing them a government that gives a glass of milk to school-age children. They are obligated to keep giving that glass of milk to school-age children. [applause] I will be handing them a government that has a scholarship program that is being increased to 15,000, so students can study under better conditions. They will have the obligation to keep those 15,000 scholarships for Nicaraguan students. [applause] I will be handing them a government that has a program whereby school textbooks are sold, but those funds are used to repair and maintain the schools. I hope that they will maintain this same policy of maintaining the schools. [applause] I will turn over the government with [word indistinct] for the teachers, with schoolrooms for the teachers, with textbooks for the teachers, and I hope they will maintain all of this for the benefit of the teachers and education in general. [applause] I will turn over the government with a policy of subsidizing education, including religious schools. I hope they will maintain that policy of subsidies for education and for religious schools. [applause]

I will turn over the government with education programs in which the student is familiarized with his true history, in which the student learns that Sandino was never a bandit, as Somoza used to say, but was our greatest hero and was rescued by the Sandinist people's revolution. [applause] They will have the moral and political obligation of continuing to respect these new values of education in Nicaragua, which we attained on 19 July 1979 with the blood of Carlos Fonseca, with the blood of German Pomares, with the blood of Rigoberto Lopez Perez, with the blood of our heroes and martyrs. [applause]

I will turn over the government with a system of education in which the students and teachers have all learned to coexist with the government like brothers, like a family, and in which problems are openly discussed in permanent "Face the People" programs. They have learned to be critical when one has to be critical, to give recognition when recognition is due, and, above all, to be able to overcome the problems that crop up daily in Nicaraguan society, especially in the education sector. I hope they will respect this democracy that exists in the field of education, which was achieved by the Nicaraguan people on 19 July 1979. [applause]

That is why we have always held that in the face of the most adverse situations, the revolution triumphs and moves forward. Up until 25 April, or I should say until 25 February, the big responsibility of progress in the socioeconomic and political field fell on us, fell on me. Generosity and sensitivity were demanded of me. As it turned out, we even released the Somozist guardsmen, the guardsmen who had killed Carlos Fonseca, the guardsmen who killed Camilo Ortega, the guardsmen who tortured Dorijos Tijerino, the guardsmen who imprisoned and tortured me. We released all of these people and they move freely through the streets. They are free to behave respectfully. They are free to convert to Christianity and learn to love their fellow human beings. We have not released them so that with the new government they will attempt to seek revenge, because then they will come face to face with the wrath of the people, and we will be there from below, defending the life and security of the people. [applause]

Never before in our history has this slogan of people's power been as correct and just. It is the people's power that will guarantee the consolidation and development of democracy in Nicaragua. It is the people's power that will guarantee the revolutionary achievements in Nicaragua. It is the people's power that will guarantee the lives and security of all Nicaraguans. [applause and chants]

We are preparing, I am preparing, to submit to the National Assembly the law of university autonomy for both universities, for the Managua University and the Leon University. [applause] I hope that this demand, which has been a demand of all the political forces, will not scare anyone. On the contrary, I trust that it will get the utmost support of all the political forces, and that it will also receive the support of the new government that we will have in Nicaragua as of 25 April 1990.

We are beginning this school year, as I said, brothers of the education community, in exceptional conditions for Nicaragua. The eyes of the world and the hearts of the people are here with us, the Nicaraguans, in the hope that this democratic process will become an irreversible process and not head toward chaos, civil war, economic disaster, social disaster, or the sinking of Nicaragua.

All Nicaraguans have an obligation to act responsibly and firmly in defending the revolution's achievements,

in supporting all that benefits the people, in questioning and rejecting that which does not, and in supporting all that benefits independence, self-determination and national sovereignty. All Nicaraguans also have an obligation to reject, firmly but with dignity and with the power of the people, all that runs counter to national interests, to the sovereignty of Nicaragua, and that which is against the independence of our country. [applause]

I will turn over the government on 25 April, as I have already stated. Power will continue to be with the people, because it is the people who control the power. I have always maintained that. Power cannot be turned over because one cannot turn over something that does not belong to one. Power resides with the people. [applause, chants, slogans] Those same people who gave their votes to the new government have every right to be displeased if the new government does not fulfill its promise of giving the people social and economic welfare and bringing sovereignty and independence to Nicaragua. [applause]

There has been talk of the destroyed economy. The National Opposition Union [UNO] has taken for granted that the economy is battered. They have said that they are going to build up the economy.

They have said that they will pay better salaries to teachers. They have said that they will improve students' conditions. They have said that they will improve everything. I hope that, God willing, it will be that way. Let them not, however, dare take away the benefits that the teachers have received from the revolution. Let them not come now and take away the benefits that the Nicaraguan students have received from the revolution. I hope they are not planning to make cutbacks in the scholarship programs or in the education budget. If they do, they will be denying students the opportunity to study. They will force students to go out and look for jobs and this will force teachers to become unemployed. They will also force cutbacks in the university budget. I hope they do not try to do those things because the Sandinist Front and Daniel, along with the people and the students, will be there to defend, from below, the rights that we have achieved with the revolution. [applause]

After 25 April, UNO will no longer be able to say that they cannot solve the country's economic problems, owing them to an economy destroyed by the Sandinists. They have said that the economy is already destroyed and that they will repair the country's economic situation. They have said that we destroyed the Nicaraguan education system and they will improve it after 25 April. Thus, they will have no excuse for not solving those problems after 25 April.

They will be unable to say: The Sandinists destroyed the economy and we cannot solve the economic problems now. They will be unable to say that, because that was not the speech delivered to the people during the campaign. Although the Sandinists have destroyed everything, UNO told the people they would reconstruct everything in a few days. We will see whether they can reconstruct everything. We will see whether they can guarantee the achievements of the revolution. That will be a great challenge for them.

Once again I tell them that I am willing to cooperate in every way to make this a peaceful transition to the new administration, where the institutions that provide security to all Nicaraguans, regardless of our ideology, must be protected and preserved, namely, the Sandinist People's Army and the Interior Ministry. [applause] These institutions are recognized by the Constitution. These institutions cannot now be replaced by contras and Somozist Guardsmen, because that would be the signal to unleash national war against the mercenaries and Somozists. [applause]

I am sure that in these moments that which will have to prevail... [changes thought] In these moments of great tension and expectations in our country, we must bear in mind that over 570,000 Nicaraguans who voted for the FSLN represent 41 percent of the voters. In other words, we continue to be the best and the greatest party. [applause, cheers]

We are the strongest party, we are the greatest party of Nicaragua. We are the party that has the greatest support from the people in Nicaragua. By virtue of the authority given to us by the struggle waged against the Somozist dictatorship, and by virtue of the authority given to us by the struggle waged in these 10 years against the U.S. aggressive policy, we told the future rulers of this country that we will support them in everything that benefits the nation and the people. However, we also told them that we will wage firmly-built criticism from the foundations. We will rule from below against everything that goes against the interests of the nation and of the people. [applause, cheers]

The best thing would be to work with a spirit of agreement, with a spirit of national unity so peace and the end of the war will become a reality and we will have a minimum of stability in this country to cope with the great tasks and the great challenges we have in the economic, social, and political fields.

At about 0600 or 0615 on 26 February 1990, when the results of the elections were evident, I appeared on a national radio and television network to explain to all Nicaraguans the results of these elections and the behavior we Nicaraguans should follow. I said we Sandinists should feel proud that if we have elections, it is thanks to the revolution; and if we have democracy, it is thanks to the revolution; and if we have a free Nicaragua, it is thanks to the revolution [applause]; and that if we have a new government on 25 April 1990, it is also thanks to the revolution. [applause]

On that day, 26 February, in the morning, as I was talking, I was also remembering my brother Camilo. A few days before, I had been talking to my mother, and we told her what we would do on 26 February. We told her that we would visit the cemetery to visit Camilo. She told

us she would attend a mass in Los Abogales in Masaya. On 26 February, I was going to mention this to all the people of Nicaragua. That was the day in which we were to commemorate the fall of Camilo in combat with the Somozist guardsmen. It happened in Los Abogales during the Monimbo insurrection.

Anyone could say: What irony. On the anniversary of Camilo's fall, he will have to announce there will be a new government in Nicaragua beginning on 25 April.

However, I said to myself: The truth is that we have not suffered a defeat. We have suffered a setback. How many setbacks have we not faced during our lives? Death, prison, torture, the threat of Yankee intervention, an economic blockade, an economic embargo, and attacks on the transportation cooperatives have all been setbacks we have had to face. The Sandinists and the Nicaraguan people have been forged by sacrifice and pain in the face of adversity.

On 26 February 1990, as I spoke to the nation and as I remembered Camilo on his day, I told myself: The truth is that the revolution is gaining strength. The revolution is subjecting itself to its greatest test. As always, the revolution will come out ahead, and that is why with Camilo, with Sandino, with Carlos Fonseca, and with all of our heroes and martyrs we can say: We won! [indistinct shouts] We won! [indistinct shouts] We won! [indistinct shouts] Free fatherland! [Crowd shouts: "Or death!"] Long Live Sandino! [shouts] Long live the Nicaraguan students! Long live free Nicaragua! [applause]

More on Aircraft Attack on UNO Activist's Home

PA0503192090 Managua LA PRENSA in Spanish 4 Mar 90 pp 1, 8

[Text] Jinotega Department—Three MI-25 helicopters of the Sandinist Air Force bombed the house of a National Opposition Union (UNO) activist in Jinotega and two minors were wounded. The peace of the Ducuali neighborhood residents was suddenly shattered on 3 March at 1145 by the thunder of mortars fired from the Sandinist helicopters that destroyed Trinidad Ubeda's house. Ubeda's house was partially destroyed and her van caught on fire during the attack. Two minors were wounded by shrapnel that lodged in their bodies, as the press was able to learn.

Escarlet and Glenda Ubeba Collado, daughters of the UNO activist, who was the second UNO representative at Vote-Counting Board No. 009, were taken to Jinotega's Regional Hospital and released a few hours later. According to eyewitnesses, who out of fear declined to give their names, the target of the military attack was a white flag with UNO's three blue letters. On the roof of Ubeda's home there are several 10-inch-diameter holes created by the M-79 mortars that were fired by the soldiers aboard the aircraft with registration numbers 328 and 361, according to reports from several persons.

Ubeda said she had used the gutted van full time to do UNO campaign work in Jinotega Department, located [word indistinct] kilometers from Managua. Ubega said she was shaken a few days ago when she received death threats from Sandinist militants and soldiers, who on several occasions watched and surrounded her house to "observe" Ubeda's activities. Regional delegates from the OAS and UNOVEN [UN Observer Mission for Verification of Elections in Nicaragua] were amazed to see what happened to Ubeda's house. Jinotega residents were also stunned. The aircrafts' crews imperiled the lives of over 10,000 residents of this neighborhood in the center of the city.

Moreover, the criminal activities of Sandinist hordes go on. They are keeping Jinotega residents, who night after night have to endure the insults of these people, in anguish. On 2 March unidentified individuals hurled a bomb at the home of Father Eliar Pindea, also an area resident. According to many persons, who did not want to give their names, Alberto Martinez, the local Sandinist National Liberation Front campaign manager, is to blame. With a weapon in hand, he has intimidated most of the area residents suspected of having voted for UNO.

UNO Views on Election, Power Transfer Reported

PM0503113690 Paris LE MONDE in French 2 Mar 90 p 8

[Report by Bertrand de la Grange]

[Text] Managua—The 10,000 "contras" installed with their families in camps in Honduras near the Nicaraguan border joyfully celebrated news of the National Opposition Union's [UNO] victory in the 25 February election. However, distrust continues to reign with regard to the intentions of the current Sandinist leadership, which the rebels suspect of wishing to keep power.

"We have two months until the new government takes office in which to verify whether the Sandinists will honor their promises," contra Chief of Staff Commander Franklin (Israel Galeano is his real name) said in a statement made at the Yamales camp in Honduras. "If not," he added, "we will keep our weapons."

There are between 2,000 and 4,000 rebels inside Nicaragua. They have substantially reduced their military operations since the start of the electoral process, especially since their funding by the United States is now limited to humanitarian aid intended to encourage their demobilization in accordance with the peace plan for Central America.

The main guarantees demanded by the "contras" for a return to civilian life—most are small farmers—include the dismantling of the State Security Department and the depoliticization of the Sandinist People's Army. Commander Ortega and Mrs. Chamorro both pledged during the election campaign to reduce the huge strength of the Army (at least 70,000 men and around 250,000

including the reserve and the militia, in a country with scarcely more than 3 million inhabitants).

The negotiations, which started on 26 February between the outgoing government and the new team, for the time being relate exclusively to the problem of the Army and the Interior Ministry, over which the Sandinists are trying to maintain control. Sandinist sources state that current Defense Minister General Humberto Ortego, brother of the president of the Republic, will leave the government and be replaced by a civilian appointed by Mrs. Chamorro after 25 April. He would nonetheless maintain a very senior position because he would be appointed head of the Army and would have, under his orders, a general staff composed essentially of existing Sandinist officers.

To have this bold proposal accepted by the future government, the Sandinists are apparently prepared to change the name of the military institution that could henceforth be called the National Army instead of the Sandinist People's Army. In addition, to alter—very slightly—the political make-up of the officers corps, some former contra commanders could be appointed to the General Staff and various positions of command. However, the Sandinists are completely opposed to the massive integration of the rebels into the new Army.

According to Alfredo Cesar, who could be defense minister in the next government, "it is out of the question for General Ortega to be appointed Army chief." He admitted that the Sandinists should be involved in the process of cleaning up the Army: "The Sandinists will be able to transfer some of their very political officers to cadre duties within their party. Moreover, we intend to give professional soldiers guarantees for their career plan."

Mr. Cesar said that "the abolition of the Army is a long-term objective." The State Security Department, which comes under the Interior Ministry, will be dismantled very quickly because of its very bad reputation among the population. "For the time being, we will merely gradually reduce the Army's strength, in accordance with our economic capability and our defense needs."

To reduce military spending, which amounts to almost 50 percent of the state budget, the new authorities want to sell the heavy armaments (artillery, tanks, helicopters, and so forth) to "anybody prepared to buy them from us." Mrs. Chamorro has a more radical suggestion: "We should throw all these weapons into Nicaragua's lakes and volcanoes to rid ourselves of them once and for all."

The opposition is worried by many rumors about the distribution of arms over the past few days. "A clear attempt is being made to intimidate us," a UNO leadership member said, and he, like all his friends, does not dare go out onto the streets to express his joy at winning the elections. The "turbas" (groups of people from the poor districts), used on 26 and 27 February by the Sandinist National Liberation Front [FSLN] to intimidate the opposition, are no longer making so much noise in the capital, but people are still afraid.

UNO is also worried by the delay in the Supreme Electoral Council providing the final figures for the election. The latest figures, relating to 82 percent of the votes counted for the presidential election, came on the afternoon of 26 February (55.2 percent for UNO and 40.8 percent for the FSLN, with the other eight candidates receiving barely four percent). Since then, there has been silence. "An unexplained silence," according to future Vice President Virgilio Godoy, "particularly with regard to the parliamentary election results."

"We have information," Mr. Godoy said, "that the officials of the nine regional electoral councils have invalidated a large number of the votes cast in our favor. In Managua district alone, these invalidations apparently relate to 30,000 ballot papers." Mr. Godoy fears that the authorities are trying to alter the results to prevent UNO from having too strong a majority in the National Assembly. According to the latest forecasts available, the current opposition has obtained 52 out of 90 seats. The FSLN has 37, the Social Christian Party only one. It takes 54 deputies (60 percent of the total) to change the Constitution drawn up by the Sandinists in 1987 and opposed by the opposition at the time.

Panama

Endara Says Delay in U.S. Aid Harming Country

PA0603005690 Panama City Telemetro Television in Spanish 2335 GMT 5 Mar 90

[Text] According to a statement made by Panamanian President Guillermo Endara, the budding democracy of Panama runs the risk of failing because of the attitude assumed by the United States, which has delayed promised aid for national reconstruction.

In spite of having entered the fifth day of his fast, President Endara is meeting all his presidential commitments and duties from the Metropolitan Cathedral. President Endara said that the United States is greatly harming Panama by delaying its aid. When this aid arrives, perhaps it will be too late, the Panamanian president said.

[Begin recording] [Endara] The fast is not linked to the U.S. action or lack of action. As I have stated on previous occasions, I can say that the error, or mistake, of the delayed arrival of U.S. aid at this time endangers the sacrifices made by the United States and, of course, the sacrifices on the part of the Panamanians.

[Unidentified reporter] Do you think that these acts of terrorism, such as the bomb two days ago, will increase if the United States does not react now to your fast?

[Endara] I believe that the act of terrorism was related fundamentally to imbalanced persons, many of whom

were Noriega supporters. Noriega distributed weapons and explosives to all kinds of persons, such as criminals and those who were not mentally sound. I think this is an act that is not related to the U.S. aid or any such thing, but was exclusively related to someone who was not mentally well. I do not know of any reaction on the part of the United States, except to certain news reports, to the fact that I am fasting as an act of solidarity with the people who are going hungry.

[Reporter] What will happen if Panama does not receive the aid from the United States?

[Endara] Panama would suffer a tremendous failure, which I hope will not occur. I want to be optimistic, and I believe that it should be avoided. If it does not receive timely aid, if it does not receive a way to rebuild its economy, Panama will fail, and not only Panama, but the whole democratic system of Panama. Panama is conducting an important experiment at this moment. We the people have placed great expectations on the democratic system. We have not lived it for 21 years, during which time we were under a dictatorship. The Panamanian people hope that its democratic system will not only give it the liberty and authority to participate in the government, but also that it will be a system that will grant social welfare for all the Panamanians. [end recording]

The president began his fast last Thursday to join the clamor of the refugees, the unemployed, and all those persons who are enduring hardships. In a warm climate, and with merely a cot on which to sleep, the president is paid daily visits by children and the elderly, and their words refering to his action are encouraging.

After five days of fasting, the president is weak, with an initial degree of dehydration and some weakness in his blood pressure. According to the report by the doctors looking after him, his vital signs are normal, as is his cardiopulmonary action.

[Begin Endara recording] I am strong. I am going about my duties as president of the Republic. I have the strength to do that, thank God. [end recording]

The Panamanian president is also signing decrees and participating in working meetings to analyze the Panamanian reality, states a presidential communique. According to the communique, the president meets daily with his ministers who keep him abreast of the most important daily events. He also meets with leaders of popular sectors.

Government Issues Communique on Nightclub Attack

PA0503142590 Panama City Circuito RPC Radio in Spanish 1200 GMT 5 Mar 90

[Communique issued by the Government and Justice Ministry in Panama City; date not given]

[Text] At approximately 2330 on the night 2 March 1990, a man, getting out of a Nissan or Datsun automobile, hurled a hand grenade at the door of the My Place discotheque-bar in the Via Veneto shopping center in the Panama Hotel area. The Judicial Technical Police are investigating this incident in cooperation with U.S. police.

A total of 17 Panamanian citizens and 16 U.S. citizens were injured in the incident. Four of the Panamanians remain in the Social Security Fund [CSS] hospital, six are at Gorgas Hospital, and others are at Santo Tomas Hospital.

The incident demonstrates the great danger posed by various sorts of criminals who are armed with military weapons distributed by the Noriega dictatorship to paramilitary groups. In addition, this action requires the state to keep the curfew in effect, to continue searches of automobiles and persons, and to consider other security measures to protect the rights of citizens.

Consequently, this raises the need for the national government to resolutely move on with the creation of the various services of the new Public Force as a public security corps to strengthen our system of constitutional and democratic government.

[Signed] Ricardo Arias Calderon, minister of government and justice

Further on Incident

PA0503154790 Panama City EL SIGLO in Spanish 5 Mar 90 p 6

[Text] The "My Place" nightclub will remain closed for a few days until U.S. and Panamanian authorities complete an investigation of the terrorist attack perpetrated on the night of 3 March, but EL SIGLO was told by one of the nighclub's owners, Johnny Laisso, that it will reopen "very soon." He was inside the nightclub when a fragmentation grenade thrown at that establishment exploded. "We cannot be intimidated," he told this newspaper.

Laisso, who is stunned by the incident which killed an army specialist from the 193d Infantry Brigade's 5th Battalion, said he deeply regrets the death of Anthony Ward, 21, of Texas. Ward was wounded along with 15 other U.S. soldiers and 14 Panamanian civilians who were dancing that night oblivious of the tragedy that was to befall them. Ward was wounded in the chest and abdomen when a grenade hurled by a terrorist exploded inside the building, shattering windows and destroying furniture and equipment.

U.S. President George Bush termed the incident, for which the Torrijos Vive Group claimed responsibility, as a "loathsome act," and reiterated that Panamanian President Guillermo Endara "has the support of the Panamanian people and of the U.S. Government." In Panama, PML [personnel movement limitation] Bravo was not changed, and although there are no restrictions

on U.S. citizens to come to Panama, they have been advised to be extremely careful. General Marc Cisneros, U.S. Army South Commander, asked Panamanian citizens to help "rid society of these hoods and terrorists," and bring them to justice soon. Cisneros felt that "democracy cannot flourish where terrorism can strangle the roots of liberty." In a communique issued by the public relations office of the U.S. Southern Command, Cisneros said that it is striving hard "so that life goes back to normal," and U.S. soldiers can "freely travel all over this beautiful country," contributing to the reconstruction of Panama with their money.

The official list of those wounded in the attack, who remain hospitalized, is as follows: From the Army—Jeffrey Warren, 26, chief of guard; Sergeant Robert A. Burford, 24; Army Specialist Brian P. Fiske, 22; enlisted man Jesus A. Omar, 25; David C. McKinney, 28; Mark A. Hatfield, 24. [no ranks as published]

From the Air Force—Sergeant Mark C. Sasso, 27; Joseph D. Pelletier, Jr, 20; and Warren A. Waters, 22. [no ranks as published]

From the Navy—2d Class Noncommissioned Officer Charle Curtis, 26; 3d Class Noncommissioned Officer Calbert Malone, Jr., 23; Constructionman Recruit Alex Bustamante, 19.

According to eyewitnesses, at approximately 2340, a dark-colored Celica without license plates drove close to the the nightclub, located on Via Venetto, Panama Hotel, and stopped. A dark young man with an afro hairstyle got out and hurled a fragmentation grenade at the windows and it exploded. The blast was heard several blocks away. The perpetrator got into the car again and shouted: Long live Noriega, damn it. He, along with the car's driver, sped away. Several persons at the scene unsuccessfully chased the vehicle.

Bodies were strewn inside the nightclub and blood was splattered all over. The furniture was destroyed. Experienced military asked that all remain on the floor to prevent possible machine-gun fire. One of the soldiers, according to a young Panamanina woman, gave mouth to mouth resuscitation to several of the people wounded by the expansive wave and maintained the calm. It seems he has been involved in similar situations before.

The Panamanian youths who followed the vehicle for several kilometers said that another car, apparently carrying an accomplice, tailed them and tried to keep them from chasing the Celica. The U.S. Government has advised its soldiers not to go to nightclubs and avoid being in large crowds, but has not limited their movements in the city.

Weekend Violence Leaves 4 Dead, 60 Injured

PA0503153290 Panama City EL SIGLO in Spanish 5 Mar 90 p 9

[Report by Rafael Rodriguez]

[Text] A Panama Public Force spokesman stated at Santo Tomas Hospital's emergency room that during the past weekend four persons were killed, 17 persons had stabbing-related injuries, 28 were wounded in the attack on "My Place," and there were 15 other minor injuries of various sorts.

The report notes that Germain Lopez, 33, and the body of an unidentified woman, approximately 26, were found in an empty lot on 3d Street in San Cristobal neighborhood. Both bodies had bullet wounds in the head.

Legal officials removed these bodies on 4 March and Technical Judicial Police are seeking the persons responsible for these crimes.

Another two bodies were found and removed by auxiliary prosecutor's office officials. The bodies were found in Pedregal on the Via Tocumen, and one of them was identified as that of Alicia Gomez Zapata, 27, of Colombia. The other body was that of a man who has still not been identified. The motive for the murder of these two persons is still unknown.

The Public Force has also reported that 28 persons were wounded when a fragmentation grenade blew up at the "My Place" bar at 2340 on 2 March.

In the attack, 16 U.S. soldiers suffered serious injuries; one of them is in critical condition and 13 are still at Gorgas Hospital.

It was also reported that 12 Panamanian men and women were also wounded in the attack on the "My Place" bar; six are being treated at the Social Security Hospital, of which two—Juan Salamanca and Juan Cueto—were operated on for severed arteries and are still in the hospital.

The Panamanians who were taken to the Santo Tomas Hospital and are still there, due to multiple woundes, are: Jacqueline Sanchez, Indira Rios, Nitzia Monroy, Ricardo Walter, Daniel Vergara, and Wilfrido Fidelino. The latter has since been released from the hospital.

Reasons Behind Granting Safe-Conducts Explained

PA0503190190 Panama City Circuito RPC Television in Spanish 1756 GMT 5 Mar 90

[Text] The Foreign Ministry asserted today that the government would have preferred to not grant safe-conduct passes to Manuel Antonio Noriega's relatives and followers, but that, unfortunately, it had to, to respect international norms.

The Foreign Ministry has issued a communique [no date given] stating that if the decision to grant safeguards to people, who were given asylum in several diplomatic missions, had depended entirely on Panama, safe-conduct passes would have been denied. Unfortunately, the note adds, Panama is committed to international norms to grant safe-conduct to persons who have been

given asylum at diplomatic missions of countries which have determined that those persons are being persecuted for political reasons or for common crimes that are not very serious.

The Foreign Ministry's explanations seem to be addressed to many Panamanian sectors that have protested the safe-conduct given to toppled General Noriega's wife, three daughters, and six close followers, who had taken refuge in the embassies of Cuba, Nicaragua, Peru, and Ecuador following the U.S. invasion in December 1989. When Noriega's wife and children—Felicidad Siero, Lorena, Sandra, and Thais—left the country for Cuba on 2 March, they were met at Tocumen Airport by more than 100 persons who insulted and tried to attack them.

Arias Rules Out Possibility of Military Coup

PA0603031790 Panama City ACAN in Spanish 0209 GMT 6 Mar 90

[Text] Panama City, 6 Mar (ACAN-EFE)—Ricardo Arias Calderon, first vice president of Panama, has ruled out the possibility of a military coup in this country, something several prominent figures have been warning about in the last few days.

During a meeting with industrialists and businessmen today, Arias said that the new Panamanian Public Force "was not created against the military, but with them, and this will prevent resentment, frustrations, and possible coups d'etat."

Arias, who is also the government and justice minister, has been the target of harsh criticism by civic leaders, newspaper columnists, and politicians who disagree with the decision to create the Public Force with the same military officers who served under the overthrown dictator Manuel Antonio Noriega.

The Panamanian vice president, who wields supreme command over the chiefs of the various Public Force units, said he has trust in them.

"The day I lose trust in a Public Force chief, he will no longer be serving as such," Arias said.

The wave of violence that has swept Panama in the last few days, which peaked with the terrorist attack on 2 March in which a U.S. soldier was killed, has led to an increase in the number of criticisms made to the Public Force and to the government policy in this area.

LA PRENSA newspaper said today in a front-page editorial that "the members of the Public Force have declared their neutrality in the war of criminals against society."

The same newspaper also published statements made by Civic Crusade leader Tomas Herrera, who said that Noriega's army officers who have joined the Public Force "could try to stage a coup," because "they are together once again, with esprit de corps, and they are armed."

However, Arias insisted tonight that the government policy with regard to the military officers following the U.S. invasion in December "was the only one possible."

According to the vice president, to dismiss all the members of Noriega's army and to start from zero "would be inviting them to engage in criminal activities and to join possible guerrilla groups that may be created."

Civic Crusade Leader Comments on 'Possible' Coup

PA0603035390 Panama City LA PRENSA in Spanish 5 Mar 90 p 1A

[Report by Vielka Vernaza Quiel]

[Text] Civic Crusade leader Tomas Herrera has not ruled out the possibility that there might be a plan in the newly organized Public Force to topple the government. "Let us remember that they are together again, with esprit de corps, and all of them are armed," he said.

Herrera added that it was possible, because, he asked, if "in 1968 4,000 policemen were enough for a coup to take place, why could it not take place with 13,000 soldiers?"

Herrera explained that it is impossible that the military men have changed their minds overnight. "During the 16 March and 3 October attempted coups, the military men never thought about reinstating democracy in Panama. That was not part of their objectives," he said.

Referring to the Public Force as an institution at the service of the community, Herrera said just the name brings back memories of the former Defense Forces. "I believe," Herrera said, "that it should be called the National Police, the police all Panamanians need, a corps to provide vigilance and protection to the lives and property of citizens."

Tomas Herrera, an attorney, said that history has proven that Panama has no foreign enemies and therefore has no need for a large army. Regarding the canal, he said, it has been proven that "it cannot be defended." According to Herrera, the waterway "probably only needs minimum police vigilance."

Herrera maintained that a guerrilla movement is not feasible in our country, because they will need the people's support for subsistence and the Panamanian people are enemies of the guerrillas.

Regarding the Public Force, Herrera believes that "an error was made from the beginning" by immediately recruiting all those who were members of the repressive Defense Forces. "Today we have them together again, uniformed and armed," thus losing the opportunity to truly dismantle the military power. He believes that the government's position of reducing the number of "bad" soldiers "is really ridiculous."

The Civic Crusade leader said that to demilitarize Panama it is necesary to adopt measures that deal with constitutional reforms, to establish that the Public Force or the police should not be an organization with decision-making power and should not meddle in partisan politics, and, especially, to set the military strength. In other words, the Constitution should establish the maximum number of troops and kinds of weapons.

Herrera also suggested that the Constitution should establish limits on the Public Force budget so it will not exceed those of the Education and Health Ministries.

Therefore, Herrera said, Law 20 and Article 35 of the Penal Code—which establish due obedience—should be abrogated immediately. Instead, there should be a special law for each one of the organizations, assigning the Technical Judicial Police to the Attorney General's Office, and creating a municipal police corps for traffic matters and public safety.

Herrera added that the current personnel should be replaced with new people trained for police tasks. In any case, "I do not believe that the entire country requires more than 5,000 troops," he said.

Asked about the future of the Civic Crusade, Herrera responded that "it can remain as an organization that oversees and supervises all government actions. This is necessary in all societies, especially at this time, when there is no organized opposition."

Editorial Views 'Attack on Freedom of Speech'

PA0503185090 Panama City CRITICA LIBRE in Spanish 3 Mar 90 p 4

[Editorial: "What Kind of Government Do We Have?"]

[Text] The Panamanian people continue to be perplexed by the inconsistencies in the country as far as the judicial system is concerned. Some unheard of things verge on the unbelievable, primarily, the subterfuges and formalities the "democratic government of national reconciliation and reconstruction," presided over by citizen Guillermo Endara Galimany, is implementing. The first attachment procedure yesterday, called "securing of properties," was taken against the Panama America Publishing House, on orders from the General Labor Directorate. Despite all the efforts to disguise the actions of the Labor and Social Welfare Ministry [Mitrabs] with technical language, the attack on freedom of speech is obvious.

With what happened yesterday, Panama's soft democracy begins a new style. Mitrabs accepted the labor claim of those who until recently benefited from an improper seizure of the company and who collaborated with the perpetrators of its brazen theft, which was then made to serve the tyranny—as was the case with ERSA [Editora Renovacion]—where paramilitary personnel, namely, ERSA's typographers and reporters, were trained to attack many National Civic Crusade followers who are now ruling the country. We really do not understand Mitrabs. Its attitude of taking medicine while being healthy does it a disservice. It is as if the government is absolving all the criminals and hoods who covered the nation with shame and is initiating proceedings against all their accusers. With that system, all the officials who took over news media and the henchmen they hired will feel entitled to sue the legitimate owners.

Panama continues to be a folkloric country, and its leaders are not immune from that typical attitude that characterizes the peoples south of the Rio Grande. While unemployment and armed violence are on the rise, the president is holding a spiritual fast at the Metropolitan Cathedral, where we see a Yahweh or Jehova frowning because he has clearly said he "helps those who help themselves." Foreign investors who came to Panama are stunned and confused over what happened to the Panama America Publishing House, and have begun to be wary of the country's labor authorities. No investor, after what happened to the Panama America Publishing House, can trust the Panamanian system.

Panama is experiencing very difficult times, and some are reluctant to come to terms with that. The task of liberation has barely begun. It will not be easy to eradicate corruption in the government because it was a vice that lasted over two decades, and some officials do not want to change their way of thinking. Some who, owing to the circumstances, hold high-level positions will want to impose nepotism and new ways to win better treatment and privileges. All of that, compounded by the rising crime wave, the rising poverty rate, and the discouraging unemployment rate—and including rulings against private enterprise as an underhanded blow to freedom of expression—taken together create a world of problems whose solutions can no longer wait.

Panamanians chose the Civic Democratic Opposition slate to rule the destiny of the nation. As we watch mistakes, such as the one carried out against the Panama America Publishing House, we are compelled to ask: What kind of government do we have?

Argentina

Nation Expected To Recognize Endara This Week

PY0503125490 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1204 GMT 5 Mar 90

[Excerpt] Buenos Aires, 5 Mar (NA)—Highly-placed sources in the Argentine Foreign Ministry have reported that Argentina will recognize the Panamanian administration of Guillermo Endara this week. Endara took over as president of Panama following the U.S. military invasion that ousted General Antonio Noriega's regime.

The sources explained that the recognition will almost certainly be based on the "Estrada Doctrine," according to which the government of another country should be recognized whenever it controls its territory and meets certain other conditions. This recognition, however, does not take place through a formal declaration but through the appointment of ambassadors.

Juan Bautista Jofre, former-head of the Secretariat for State Intelligence (SIDE), is one of the top candidates for the post of ambassador to Panama, although Teodoro Funes had originally been invited to take the job.

President Raul Alfonsin's Radical Civic Union administration had recalled Argentina's ambassador to Panama to protest the dismissal of then-President Eric Delvalle in early 1988. The Peronist administration did not appoint a replacement when it took over because of Noriega's lack of respect for democratic institutions.

Argentina will be following the examples of Colombia and Peru, who have already recognized the new Panamanian administration that was sworn in at a U.S. military base while the invasion was taking place. [passage omitted]

Economy Minister Discusses Latest Measures

PY0603004290 Buenos Aires TELAM in Spanish 1629 GMT 5 Mar 90

[Text] Buenos Aires, 5 Mar (TELAM)—Economy Minister Antonio Erman Gonzalez has said that the announcements made yesterday "mean that a superstructure of state secretaries has been eliminated and that a reorganization of retained employees will be made." He also assured that "salaries should never be the variable" used to adjust the economic plan.

Minister Gonzalez reasserted that the variable to be used in the economic plan will be found in the fiscal area and in "the contribution to be made by sectors that are better off at this time so that we can emerge from the crisis.

Referring to the streamlining of the state, Gonzalez explained that "an entire strata of state secretaries has been eliminated, leaving the under secretaries as the second tier below the minister. From here down, the natural organization charts of general and national directorates remain the same."

Gonzalez said that those who serve at the secretariats that are to be dismantled, under Decree 435 made public last night, "will be reassigned since the functions they performed in the area will not be eliminated."

He anticipated that, "with some external credits that are being negotiated, a voluntary retraining plan will be launched enabling those public servants who want to retire "to be appropriately trained so that they can be hired whenever private activities are able to absorb them."

He recalled that the portfolio of the National Mortgage Bank will be managed by the Argentine National Bank and that its personnel will be "reabsorbed" by the DGI [General Tax Directorate], by the customs office, and by the general restructuring that we are implementing through early retirements and voluntary resignations."

During his talk on Radio Mitre, Minister Gonzalez explained that the controls over the supply and demand of dollars bring "greater openness" to the market, and thus stave off the so-called "blackboard or out-of-hours operations" in which "dollars are quoted at unreal prices."

The economy minister pointed out that the Central Bank will operate "in the form of a clearing [preceding word in English] house" by registering the supply and demand [of dollars] for a given time. He added: "Once that the supply and demand of dollars is met, the operation will be terminated."

"If the operation is not completed, the dealers who offered the (dollars) and failed to complete the operation will be prohibited from operating," Gonzalez added.

Asked about the price differential of fuel oil, Gonzalez made it clear that it represents a "quota" that will be delivered to each transport enterprise "according to a calculation of what they need to operate normally. This will include a price differential," he explained.

Concerning the announced minimum salary, Gonzalez said that the government foresees "some protection against hyperinflationary erosion" of salaries. This protection will be implemented through a "compensatory system involving savings," explained the economy minister, adding that "if a certain proportion of the salaries are deposited in a savings account, the daily interest rate that it earns will virtually compensate for the erosion in its value."

Gonzalez said:"In no way should salaries be the variable for adjustment, but fiscal adjustment and the contribution will be made by the sectors that are better off at this time so that we can emerge from the crisis."

'Mass Dismissals' Denied

PY0303143690 Buenos Aires TELAM in Spanish 1213 GMT 3 Mar 90

[Text] Buenos Aires, 3 Mar (TELAM)—Economy Minister Erman Gonzalez has categorically denied that the government plans "mass dismissals" of public servants, as stated in press reports today.

Before a Cabinet meeting, Gonzalez went to the press room of Government House to "make it clear" that the economic team actually plans to implement "a streamlining program, including the training of personnel and the creation of an employment office [bolsa de trabajo] to look into the possibility of new jobs in the private sector."

Commander Reaffirms Subordination to Government

PY0603032890 Buenos Aires DYN in Spanish 2256 GMT 4 Mar 90

[Excerpt] Buenos Aires, 4 Mar (DYN)—Army Commander, General Isidro Caceres, stated today that the Army he leads "will act solely within the institutional framework" and in compliance with "the clear and direct orders that may be given by political authorities."

He added that the Army "is fully prepared and ready to fulfill its task, firmly and without haste." He also warned that "any offense against the Army as an institution or to its members as such, represents a serious moral and political offense to the fatherland."

In a radiogram addressed tonight to all military units throughout the country, and which will be read at formation early tomorrow morning, Caceres stated that "the very difficult circumstances the country is experiencing today are natural consequences of many years of futile confrontations."

The radiogram seems to be referring in part to the decree signed a few days ago by President Carlos Menem to allow the intervention of the Armed Forces in cases of "internal upheaval."

One of the main paragraphs of the message, aired by radio tonight, states: "I order that military training be intensified at all command levels, emphasizing military virtues, to keep the Army in a position to fulfill the demands imposed by the nation." [passage omitted]

Businesses Ordered To Set Prices in Australes

PY0203220290 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1617 GMT 2 Mar 90

[Text] Buenos Aires, 2 Mar (NA)—In a resolution released today, the Domestic Trade Secretariat ordered that all stores publicly display the prices of goods and services "in legal tender." This refers to the final prices to be paid by the buyer.

The austral is the only legal tender in the country. The Domestic Trade Secretariat announced that a broad control operation is being carried out to enforce the provisions outlined in Law 22802, which seeks to guarantee fair trade.

Demand Deposits in Foreign Currency Authorized

PY0603031090 Buenos Aires TELAM in Spanish 2043 GMT 5 Mar 90

[Text] Buenos Aires, 5 Mar (TELAM) — It was announced this afternoon that, as of tomorrow, the Central Bank has authorized financial institutions to receive demand deposits in foreign currencies.

These deposits will be a combination of a current account and a savings account. The client will be required to sign a receipt to withdraw money, but there will be no limit on the amount that may be withdrawn each month, nor will the bank require prior notice of withdrawals.

Angeloz Rules Out Joining Menem Administration

PY0503172790 Buenos Aires TELAM in Spanish 1526 GMT 5 Mar 90

[Text] Buenos Aires, 5 Mar (TELAM)—Cordoba Governor Eduardo Cesar Angeloz today stated that any chance of joining the current administration "is absolutely out," noting that he fully agrees with President Carlos Menem that "this subject is closed."

During a news conference granted at the end of an hour-long meeting with Raul Alfonsin, chairman of the Radical Civic Union national board, at the party headquarters at Alsina and Entre Rios Streets, Angeloz said: "Menem is not inviting me, and I am not going."

Interior Ministry Resignations Rejected

PY0503201290 Buenos Aires TELAM in Spanish 1854 GMT 5 Mar 90

[Text] Buenos Aires, 5 Mar (TELAM)— It was officially reported this morning that, with the exception of Human Rights Under Secretary Hector Frugoni Rey, all the Interior Ministry secretaries and under secretaries today submitted their resignation to Interior Minister Julio Mera Figueroa. They acted "in order to expedite the administrative rationalization outlined in Decree 435 that was issued yesterday by the National Executive Branch."

The Interior Ministry spokesman stated that Minister Mera Figueroa "thanked the officials for their gesture and rejected their resignations until a new organizational chart is compiled. This must be completed by the deadline established in the decree."

The spokesman added that, following the instructions to reduce public expenditure, "all Interior Ministry vehicles that are used to transport personnel have been taken out of service."

* Official Report Warns of Social Upheaval

90ET0113A Buenos Aires SOMOS in Spanish
1 Jan 90 pp 32-36

[Article by Luis Majul and Jorge Grecco: "On the Brink of a Social Explosion"]

[Text] "The president's image has been tarnished. Credibility and confidence in the administration have been damaged. The sharply recessionary consequences of the Bonex 89 Plan have not yet spread through society. When this happens, however, the psychological impact will be highly significant."

This diagnosis and forecast does not come from the Radical Party, the left, or the carapintadas. It is part of the secret, official document that reached President Carlos Menem's hands late on Thursday 11 January. The paper predicts that unless instruments and strategies are developed quickly to improve the administration's image and reverse the social damage, the explosion will become a self-fulfilling prophecy, just like on 29 May 1989.

The report, which has deeply concerned the chief of state, does not include among its revelations the surprising emergence of the "Che Guevara" brigade in La Matanza that Thursday morning. But an important official in that town called the health and social action minister, Eduardo Bauza, that Friday and told him:

"We know that they're driving around in trucks and that they're armed. We know that they handed out food in the Maria Elena district in Laferrere and in El Vivero and Los Pinos in Rafael Castillo."

The specter of a social explosion looms not just in La Matanza but in Quilmes, San Miguel, and Ingeniero Budge as well, and no one dares predict what might happen in these areas in an hour's time.

Supermarket Scene

On the morning of Wednesday the 10th two elderly women were fighting for a place in one of the checkout lines at the Sumo supermarket on Calchaqui and Liniers in Quilmes. They started by shouting, then began pushing, and wound up scratching and pulling each others' hair. The rest of the people in line started clapping, and the guards at the supermarket went on alert.

The manager, Julio Fleytas, told SOMOS that such scenes are common:

"The other day a case broke, and the people, who had been waiting in line for several minutes, started clapping and shouting. We were afraid that they would take off without paying, like during the looting days."

The fear that looting will return is also palpable around poor neighborhoods in San Miguel. There is a Su supermarket here, one of the largest in the chain of the same name. The store opened last 30 December, and its appearance is far from traditional: It has no windows and there is a single entrance. Inside, high-profile armed guards prowl about, and outside a patrol car and 10 or so "hawks," men from the elite group of the Buenos Aires provincial police, keep watch.

"Why is the press talking about looting again? I wonder whether this won't help incite it," says Juan Mirenna, the executive president of Su Supermarkets S.A.

Mirenna feels that the atmosphere is calm. He explains that his company opened the store because people had nowhere to buy food. He recalls that one of his stores had the rare privilege of being the first one looted in the province of Buenos Aires. Almost without breathing, he says:

"We provide work for 850 persons. We do $1.7 million in business a month. We're working people, not profiteers. I'm prepared to give the last time-deposit I made if the administration can assure me that after these measures it won't change the rules of the game on me again. We're not responsible for the skyrocketing prices. We don't set prices. The atmosphere has nothing to do with the one back in May."

To stop potential looters, the wholesale outlet Alvear (also in San Miguel) had two of its entrances bricked and cemented up. A few meters away, the owner of another food store, Ignacio Gonzalez, did likewise with one of his entrances. His comments reflect how far the panic over a potential explosion has gone:

"We're afraid. We take off as soon as we finish selling. The rumors from La Navidad are intolerable. Who can assure me that they won't come tomorrow or the day after and make off with everything?"

Gladys Godoy is also afraid that she will lose everything. She is more than 60 years old and, rather than a shopkeeper, is in charge of the "Eva Peron" Justicialista Front Basic Unit in the heart of the Primavera district. Last May, lootings of stores shared the limelight with the possibility of an armed confrontation with the residents of the nearby Mitre district.

"We aren't going to stand any more for the psychological action that almost started a fight among friends. They took 11 of our people prisoner. They lost their jobs; they were accused of being activists. To top it all off, some were tactless enough to steal television sets and stoves. Don't worry. If there's another mess, they aren't going to use us to go to the front."

The explosion in 1989 was not spontaneous in Villa La Canada in the town of Quilmes, swears the manager of another Basic Unit, 57-year-old Ovidio Diaz, who is

married and has six children, one of whom is named Juan Domingo and another Juan Manuel, after Peron and Rosas. Diaz boasts of having 350 members and says that no one goes hungry in this country, that leftist infiltrators have to be combated with the Peronist pitch, and that President Menem "is still being tolerated, although not as much as before."

The inside walls of the corrugated metal homes in La Canada are covered with pictures of Jesus, Saint Cayetano, General Peron, and his second wife, Eva Duarte. The locals danced and drank on 14 May when the man from La Rioja was elected president. Two weeks later, however, they went hunting for food and by 31 December were racked by sadness.

"No one's hungry, but people are outraged. Or do you think it's nice to ring in the new year without cider and sweet bread?"

La Canada is not the poorest quarter of Quilmes. Life is even worse in the others. Jose Andres, the priest who heads the Social Works Commission in the Quilmes diocese, of which Monsignor Jorge Novak is in charge, proves it with numbers. The following are Andres' figures:

- A family of four or five needs 2 liters of milk a day, which cost 1,000 australes.
- It also needs a kilo of bread, costing another 1,000.
- If the head of the family is lucky enough to have a job, he spends at least 30,000 a month on commuting.
- All told, this comes to 90,000 australes every 30 days, not including meat or rice, or the cleaning and housekeeping items needed to live decently.

"To live decently you need at least 400,000," the priest estimates.

The diocese includes Quilmes, Berazategui, and Florencio Varela. Novak and Andres have it divided into 70 parishes. Each of the parishes looks after 80 penniless families. Each family needs a kilo of powdered milk a week.

"But we're able to buy only 80 kilos," Andres laments. "How do the rest manage? I really don't know. Everybody here is ruined, battered, worn out. But this can't last much longer. Defiance always comes after something like this."

Defiance is hidden in Ingeniero Budge, where a live chicken sells for 2,000 australes, a large pizza for 1,600, and a prefabricated, eucalyptus-wood house can be bought for 42 payments of 15,900 australes.

"Prices fell here. Sales are down, but people are buying," acknowledges Angel Omar Boedo, the owner of a bar where you can listen to FM Tropical, the neighborhood's source of news, and drink beer and muscatel to drown your sadness.

This Can't Continue?

Socialism or poverty/No to steep rate hikes/ Constitutional Assembly to elect a new government/ Hunger spreading under Menem.

These slogans of the Movement Toward Socialism (MAS) are seen in every corner of Budge. In San Miguel, the graffiti are being replaced by carefully done placards that say: "This can't continue; let the people decide." A few lines down you read: "The administration of the Justicialist Party has lost all legitimacy and responsibility." In his talk with SOMOS, MAS national deputy Luis Zamora denies that these are coup slogans:

"We don't want a coup. We want Menem out of office because he lied. Now he's promoting a government in which businessmen make the decisions."

"What would you do if there were an explosion? Would you encourage or oppose it?"

"I don't answer hypothetical questions."

"Would there be repression?"

"I have my doubts about how effective the repressors would be. The security forces are part of the crisis. Do you think that a hungry noncommissioned officer is going to fire on a hungry worker?"

"Why do you assume that there will be a social explosion?"

"Because the situation is similar to May 1989. The problem is political. Neither then nor now do people think that the government can come up with a solution. Moreover, all of the analyses say an explosion is possible. An editorial in EL CRONISTA COMERCIAL mentions it. Even LA NACION. And even a report from the Studies Center for a New Majority warns of it."

The report that Zamora mentions was drafted before the year's end, when it looked as though Argentina was collapsing, and it cites the following developments as the catalysts of a potential explosion:

- The fact that inflation in December exceeded the tolerable "political limit."
- The certainty that the increase in food prices was double the rise in the cost of living index, and the fact that food accounts for between 70 and 80 percent of what the poor spend.

The study does not take into account the drop in prices that came on the heels of the Erman II Plan and the relief that the food bonds have brought to the disadvantaged. Nor does it consider the additional burden that boosting the minimum fare to 220 australes and the lack of national currency in poor neighborhoods have placed on the have-nots.

The minister of social action, Eduardo Bauza, rushed off to one of them, the Mitre district in San Miguel, on the afternoon of Thursday the 11th. There he handed out

cookies, lentils, and subsidies as another antidote to the people's anger. After feeling what it was like to rub elbows with this hidden Argentina, Bauza told SOMOS:

- The people are in no mood for an explosion.
- The country's most serious problem is a lack of jobs.
- The neediest areas are in the Buenos Aires metropolitan area, the outskirts of Rosario, Tucuman, and some areas in Cordoba and Resistencia. This is where, during my term as interior minister, left- and right-wing extremist activity was detected, although it still doesn't have much support among the people.
- The economic crisis is similar to the one at the end of Alfonsin's term, but this time the administration is paying more direct attention, constantly looking out for people's needs. You can't get to know problems or find solutions from ministerial offices.
- Direct aid does not work. People have to be given jobs.

The people who are living on the brink of poverty feel angry, powerless, frustrated, and outraged, the sources we consulted agree. Rumors spread amid such a pathetic general situation. Rumors are also the foremost concern of the members of the intelligence agencies of the Buenos Aires provincial police. One of them summed up the general feeling in these six words:

"We're sitting on a powder keg," he remarked, adding that he did not know who would light the fuse or when.

[Box, p 33] Nearly out of Control

The secret paper that was handed to President Carlos Menem on Thursday 11 January is entitled "Situation in Terms of Social Tension" and it contains some disquieting assertions. The document is written in the typical language of Argentine intelligence. The following is a translation into normal language of the most important points:

- The rumors about the "dollarization of the economy" triggered, among other things, opposition to administration moves, psychological chaos, fear, and mounting social tensions, which could have led to an explosion.
- Perhaps never before, not even during May and June 1989, did society reach such a grave and dangerous juncture. Never before were we as close to collapse, social breakdown, and loss of control.
- Eleven days after the Bonex Plan was announced, the system for supplying food and medicine had been restored, these being the items about which people are most sensitive and which have the greatest negative impact on their psychology.
- Intensive efforts by certain OPI's (left-wing political organizations) were detected, especially in the Buenos Aires metropolitan area. These groups have almost no acceptance among the people.
- There is a high degree of social discipline in the community, even among the poorest strata of society.
- There has been a moderate rise in the credibility of the economic plan. The psychological action taken by the administration in recent days has been of great help.
- Organized labor's shows of restraint have helped to diminish social tensions.
- The debates with the main authorities of the Catholic Church and the wave of stories and rumors in military circles are conspiring against the general climate.
- Much of the middle class still has the feeling that their savings were confiscated. Bad tempers persist, though the trend is for the better.

[Box, p 35] "And What If There's No Food?"

Father Antonio Maggi runs the Vicarship of Social Works of the Bishopric of San Justo, a huge diocese that includes more than two million people and the country's largest pocket of poverty.

The confessor of CGT [General Confederation of Labor] leader Saul Ubaldini, Father Maggi agreed to talk with SOMOS

[SOMOS] Is there a possibility of a social explosion?

[Maggi] Look, I don't have a crystal ball, but my feeling is that the climate is there. On Thursday the 4th in La Matanza we stopped what could have turned into an explosion. The residents of four settlements had organized a march and were trying to take Route 3. We were in a difficult situation because anything could have happened.

[SOMOS] What did they want?

[Maggi] The transfer of lands, shipments of food and medicine, and a solution to the problem of the solidarity bonds, which they said weren't getting to them. I went there personally and told them just one thing: They had to choose between marching and negotiating. We didn't want to coerce anyone. They chose the latter, and some solutions have already been found.

[SOMOS] Aren't the official assistance programs enough?

[Maggi] I think they're still taking a short-run approach to social welfare. What we really need are production units that give work meaning. I told the authorities this: We're helping more than 350,000 people in La Matanza, and if there's no food one day, what are those people going to do?

[SOMOS] What are they going to do?

[Maggi] They could do anything. Also, remember that there's a serious problem because we're seeing the breakup and disintegration of the family unit, and this is going to create serious difficulties. What these people need and want are jobs.

[SOMOS] Do other circles have a realistic picture of the situation?

[Maggi] In general, yes. I'm worried that certain business sectors have not yet become really aware of this.

[SOMOS] Are you saying this because of the price hikes?

[Maggi] Yes, a little bit because of that and a little bit because of the lack of solidarity. I understand, of course, that they're doing what they have to to keep their businesses going, but right now we all have to give up something. And if we're not careful, events are going to overtake us.

Malaysian Deputy Prime Minister Ends Visit

PY0303222090 Buenos Aires DYN in Spanish 2144 GMT 2 Mar 90

[Text] Buenos Aires, 2 Mar (DYN)—Malaysian Deputy Prime Minister Abdul Ghafar has ended his official visit. The Argentine Foreign Ministry reported that "a substantial dialogue was conducted and the international situation was analyzed." The official communique says that the two parties expressed "their satisfaction with the level of bilateral relations and their desire to strengthen them."

During the talks the two countries exchanged views on various areas of cooperation, particularly on veterinary services, the fight against the production and trafficking of drugs, and aeronautical matters. The two governments expressed their desire to negotiate and conclude two agreements, one on economic and trade cooperation and another on scientific and technical cooperation on the basis of the draft proposals presented.

Brazil

Administration Outlines New Economic Structures

PY0503170590 Rio de Janeiro O GLOBO in Portuguese 2 Mar 90 p 5

[Text] Brasilia—On March 15 Economist Zelia Cardoso de Mello will assume one of the most important ministries in the future administration; the ministry with the basic role of conducting national economic policy. The Economy Ministry will replace the current Finance Ministry and absorb parts of the Ministry of Industry and Commerce and the Ministry of Planning. The latter organization will undergo significant changes and will lose its ministerial status. Part of its functions will be transferred to a secretariat that will be linked to the Presidency and be responsible for evaluating the national situation and preparing government directives.

The Economy Ministry will be divided into six special secretariats: budget and finance [orcamento e financas], industry and foreign trade [industria e comercio exterior], property assets [patrimonio], national treasury [tesouro nacional], supply and prices [abastecimento e precos], and federal revenues [receita federal]. The National Bank of Economic and Social Development (BNDES), which is now subordinated to the Ministry of Planning, will be transferred to the Economy Ministry.

The position of the Budget and Finance Secretariat (SOF) was the most debated point in structuring the new ministry. Zelia Cardoso de Mello's team thought for a while that the SOF should be maintained under the Seplan [Secretariat of Planning and Coordination of the Presidency of the Republic] so that the implementation and preparation of the federal government's budget would not be under the jurisdiction of a single ministry. The opinion of those who defended the transfer of the SOF to the Economy Ministry prevailed on the grounds that the concentration of its dual function could benefit the management of public accounts.

Under the approved new structure, the National Budget Secretariat will include two departments: The current SOF and the State Enterprises Control Secretariat (SEST), whose functions will be restricted to preparing the state enterprises budget. The SEST will give up the other powers it has under the present structure.

The Supply and Prices Special Secretariat (SEAP) will be replaced by a National Secretariat responsible for price control. The supervision of prices, which is currently exercised by SUNAB [National Superintendency of Supplies], will be transferred to the jurisdiction of the Justice Ministry. The future government also wants to count on the Federal Police for this supervisory task.

The Federal Government Property Assets Secretariat, which is currently just an organ of the Finance Ministry, will become more important under this new structure. It will be transformed into the National Property Assets Secretariat, which will be responsible for the administration of real estate and properties of the federal government, including the Social Security Ministry, state-owned enterprises, and rural properties.

The portion of the Ministry of Industry and Commerce Development that will be transferred to the Economy Ministry and the Seplan's International Affairs Secretariat will serve as part of the National Secretariat for Industry and Foreign Trade. This new secretariat will also incorporate the Industrial Development Council and other organs currently responsible for the country's industrial policy as well as the Customs Policy Commission (CPA), which is currently coordinated by the Finance Ministry and the Foreign Trade Department of the Bank of Brazil.

The current structures of the National Treasury Secretariat (STN) and the Federal Revenues Secretariat will remain unchanged. Economist Zelia Cardoso de Mello and her team consider the STN one of the few "competently managed islands" of the current government. Incidentally, the future economy minister held a position at the STN during her only stint as a government official.

Collor Names Chiarelli New Education Minister

PY0503181390 Rio de Janeiro Rede Globo Television in Portuguese 1600 GMT 5 Mar 90

[Text] Today President-elect Fernando Collor de Mello announced that Senator Carlos Chiarelli, of Rio Grande

do Sul, will serve as education minister in the incoming administration. Chiarelli, 49, is married with two children. He is a professor of law and had previously been chosen to lead the new government in the Senate.

According to the president-elect, the senator from the Green Party will continue in that capacity until 15 March, when he will assume the post of education minister. There are three ministers yet to be chosen: health, agriculture, and foreign affairs.

Chile

FPMR Spokesmen on Future 'Fight for Democracy'

PY0503223890 Santiago ANALISIS in Spanish 26 Feb-4 Mar 90 p 19, 20

[Interview with FPMR spokesman Jorge Salas, and with FPMR members Miguel Montecinos and Alfredo Malbrich who recently escaped from a Santiago jail, by ANALISIS reporter "J.R." from "somewhere in Santiago"—date not given]

[Excerpts] [passage omitted] [J.R.] It has been said that some of the fugitives who escaped from prison have left the country. Is that true? Are you planning to leave Chile?

[Montecinos] We understand that they have not left the country. As far as I am concerned, I intend to stay here. The dictatorship has not broken us and we want to stay here to fight for democracy; to help to enhance it.

[J.R.] What are you going to do to help consolidate democracy after 11 March?

[Salas] The FPMR [Manuel Rodriguez Patriotic Front] supports the democratic process. We cannot speak of democracy, as such, yet. The new government has a clear democratic will, but it is influenced by a dictatorial regime that includes an undemocratic judicial branch, a Congress of designated senators which does not represent the will of the people, and an Armed Forces that is built on the basis of the national security doctrine and is commanded by people elected, designated, or educated by Pinochet. We are involved in a very difficult and complex process during which the defeated Pinochetist forces will try to slow down, destabilize, and finally prevent democracy from taking hold. The FPMR will not do anything against the democratic process, it will not involve itself in any destabilizing operations, or grant any pretext to the dictatorial sectors to destabilize the process. The FPMR will be ready to come out in defense of the process if the defeated Pinochetist sectors get involved in any armed attack on democracy. One of our commitments is to prevent another 11 September 1973. On that occasion, unarmed people were trampled down by the Armed Forces which were conducted by a reactionary commander. We will never accept another 11 September in Chile. That is our commitment.

[J.R.] Does this mean that the FPMR has decided to come into the open and perhaps even install a downtown office?

[Salas] We are thinking about it. This possibility cannot be disregarded. As democracy progresses we may open an office to represent the FPMR at the national level. We may open that office very soon. That idea is being seriously considered because one sector of our organization, apart from our fighting men, supports that idea because they have participated in our struggle and want to get involved in the democratic process. You may ask how. They could help to remove from society those people who committed crimes against humanity in Chile these years. To do that we need an office to gather and process information on behalf of the public, and on the records of those who have violated human rights. We have very important things to say in this regard because we know who the torturers are; we know who are the ones who persecuted and murdered our brothers. This is why the possibility of coming out into the open does not seem so illogical. We must first study it following what happened to the Colombian fighters who, after coming out from illegality, were murdered by rightist paramilitary gangs. We believe that rightist paramilitary gangs already exist in this country. They are the henchmen of the CNI [National Intelligence Center], and we would not be surprised if they begin to act today or tomorrow against our fighting men. [passage omitted]

[J.R.] You talk about a trial for human rights violators. Do you believe that the current members of the judicial branch can dispense justice?

[Salas] We are willing to make available to the appropriate organization all the information we have about the criminals of the dictatorship. It will be up to other people to make the necessary changes in the judicial branch so that there can be justice in Chile. They will have to assume that responsibility.

[J.R.] What if justice is not done?

[Salas] We have already said that we should give democracy an opportunity. The coalition of political parties has received a popular mandate and the decision assumed by all the political democratic forces was to continue the democratization of Chile. We believe that democracy must show that it is capable of dispensing justice to all criminals, including Pinochet. We are confident that democracy will take Pinochet to trial and pass judgment. If Pinochet is not tried for his crimes, we will study other possibilities.

[Malbrich] Many would like us to say "Look, we are going to find that guy and kill him. We are going to do that now." This is neither what we are going to say nor what we are going to do for a very simple reason: It would be useless. It would be useful, however, for society to become aware of what has happened and to find a way to prevent a recurrence.

Colombia

Borja Discusses Drug Trafficking During Stopover

PA0203191890 Bogota Inravision Television Cadena 2 in Spanish 1739 GMT 2 Mar 90

[Text] Colombia had an illustrious visitor in Bogota last night: Ecuadoran President Rodrigo Borja made a stop over on his way to Europe.

President Borja has launched a big legal offensive against drug trafficking in his country. He has announced the extradition of Ecuadorans involved with the drug mafia.

He has continued on his way to Europe, where he will seek European Community cooperation for a social reorganization effort in Ecuador. During his short visit, he spoke about the normal conditions in which the Nicaraguan elections took place. Borja said that the results did not surprise him.

The Ecuadoran president said that he will not establish a dialogue with Ecuadoran drug traffickers and announced some measures that have been adopted to eradicate this scourge from Ecuador.

[Begin Borja recording] [Words indistinct] that permit the extradition of Ecuadoran drug traffickers tried abroad, understanding that drug trafficking is an international crime that goes against human ethical values. [end recording]

President Borja said that the Ecuadoran parliament is debating a constitutional amendment by which the responsibility for passing guilty and not guilty verdicts on Ecuadoran drug traffickers would be transferred to the Court of Constitutional Guarantees.

Extraditables Propose Special Jails for Members

PA0603022990 Bogota Radio Cadena Nacional in Spanish 1200 GMT 4 Mar 90

[Text] Medellin—The so-called Extraditables have proposed to the government the creation of special jails for its people under the permanent vigilance of the Attorney General's Office.

Through a letter sent to Diego Montoya Cuellar, president of the Patriotic Union [UP], in which the group denied any connection with the chain of assassinations against the UP, the Extraditables declared themselves "on alert" because the government has continued the extraditions.

Regarding their proposal for special jails for their people, the Extraditables suggested that the government select the locations for these jails.

Defease Minister Denies Complicity in Massacres

PA0603025290 Bogota Radio Cadena Nacional in Spanish 1200 GMT 4 Mar 90

[Text] Bogota—Defense Minister General Oscar Botero Restrepo last night rejected claims by the Patriotic Union [UP] of alleged military complicity in recent massacres in various regions of the country.

He emphasized that the UP has made many charges against the military, but all of them are groundless because the UP confuses the actions of revolutionary forces with activities carried out by our national army in accordance with the law.

Botero cited the murder of the late UP leader Pardo Leal as an example. He noted that UP leader Bernardo Jaramillo Ossa had accused former Defense Minister Rafael Samudio Molina of being an accomplice. However, after the corresponding investigations, it was concluded that the military sector was not involved, whatsoever, in this crime.

Ecuador

* Local Labor Leader on Economic Reactivation

33480296A Quito HOY in Spanish 11 Jan 90 p 2A

[Text] Labor leader Fausto Dutan says the economic reactivation process can only be achieved "if the government stops adopting the recessive steps which the International Monetary Fund has imposed on it."

"If the government continues with the gradualist measures of raising basic consumer prices or prices of basic goods such as gasoline, we will not be able to experience economic reactivation; only the wealthy people will be able to get started," added Dutan.

Dutan stated that the economic authorities should undertake a radical process of agrarian reform "affecting large properties not in use and not only grant property titles to marginal lands."

Likewise, Dutan believes that strong support should be given to small industry and handicraft activity, "which requires more manpower."

He also stated his opinion on nonpayment of the foreign debt, "because it concerns an immoral debt that was irresponsibly contracted at very high interest rates."

The labor prospects for 1990 are not positive for Fausto Dutan. He predicted that labor conflicts "will sharpen since the economic crisis will worsen, affecting for the most part the more deprived sectors of the country," he concluded.

Paraguay

Colorado Party President Chaves Resigns

PY0503171290 Asuncion EL DIARIO in Spanish 5 Mar 90 p 6

[Report by special correspondent Nelson Avezada]

[Text] Borja—Juan Ramon Chaves, who resigned as president of the Colorado Party on 3 March, has granted an exclusive interview to EL DIARIO. In the course of this interview he stated: "I have voluntarily submitted my resignation as president of the Colorado Party. I will continue to work as a senior member of the party to bring about the unity of the various factions of the executive board."

The veteran political leader of the traditionalist faction explained his decision to resign as president of the party, saying: "My resignation was prompted by a desire to see the unity of Bernardino Caballero's party realized in an atmosphere of harmony, which at this time is the key element for strengthening the Colorado Party and providing more assistance and cooperation to the administration of General Andres Rodriguez."

Many Colorado Party leaders have stated that the traditionalist faction would fall apart following Chaves' resignation. On this issue, Chaves, who is considered the foremost symbol of this faction, stated: "The traditionalist faction will not change its approach. From the very beginning it has always been in favor of strengthening the February revolution and of cooperating closely with the democratic project launched by Gen. Rodriguez."

Asked if his decision to step down as president of the Colorado Party Executive Board could be viewed as a result of instructions from above, he answered: "There has been no pressure; I resigned on my own."

Asked for an opinion on who the members of the new executive board leadership should be, the veteran politician answered: "That is not up to me. The responsibility for choosing them belongs to the 35 members of the executive board."

Peru

Garcia Comments on Creditor Banks' Lawsuit

PY0503145590 Lima Television Peruana in Spanish 0000 GMT 4 Mar 90

[Excerpt] President Alan Garcia has minimized the importance of the lawsuit filed by a group of creditor banks against Peru and various public enterprises. Garcia said that the creditors are merely expressing their desire to collect the debt to avoid the statute of limitations—that is, the passing of six years without any payment— because then the debt would be legally uncollectable.

The president said there is no danger of distress or execution of Peruvian assets abroad, noting that current legislation makes this very difficult. What we need is to negotiate payments for a reduced debt, longer terms, and fresh loans, Garcia added. creditors' lawsuit?

[Begin recording] [Garcia] This news should not cause excessive alarm, seeing it for what it is. Banks want to collect what is owed them. According to the law, if they let six years pass without filing an injunction, then the debt expires, the statute of limitations is applied, and the debt cannot be collected.

What they did just hours before the six-year legal term expired—six years without receiving any payment—was express their will before a judge not to let the debt expire. They expressed their will to collect the debt. This is the exact meaning of the lawsuit. It does not mean they will hold Peruvian oil, copper, or food in garnishment. Whoever says otherwise is using the issue for electoral purposes.

The lawsuit only means that banks want to avoid the six-year expiration period provided for in the statute of limitations. If they did not file the suit, our $17 billion debt would have been automatically reduced to $11 billion, and $6 billion would have disappeared.

I think the issue should be understood for what it is. It is the banks' right to avoid the statute of limitations. It shows their will to collect the debt in the future. I still do not think that the lawsuit will be an obstacle to negotiations seeking to pay 50 or 30 percent of the debt instead of 100 percent. The fact that the lawsuit was filed does not mean we will stop negotiating over what they can collect or what we can pay.

[Reporter] Will the lawsuit create problems for the next administration? Is it possible that the banks will take reprisals at a later date?

[Garcia] I do not think so. If they really wanted to take reprisals they could have sued us in 1984 or 1985, when we stopped paying. They merely want to avoid the statute of limitations. We have to keep negotiating until the banks understand that they cannot collect all they want because we cannot pay. We need a substantial reduction of the debt, a reduction larger than what has been offered to other countries, to an amount under terms that we can realistically pay.

I do not think the lawsuit will create any problems with our products. Peru is not a crippled country. Peru has legal ways to defend itself from abuse. There are juridical records in the United States, and banking legislation makes it difficult to act against a country.

[Reporter] What will Peru negotiate in the next round of talks on 6 March?

[Garcia] We will wait to see what they propose. Our position, however, has not changed since 1985. We cannot pay the entire debt or service the debt at present interest rates, and not within the required periods. We

need debt reduction, a new contract on a reduced amount with payment schedules in tune with our capabilities. We also need fresh loans. [passage omitted] [end recording]

Government Condemns Attack on Embassy in Panama

PY0603022490 Lima Television Peruana in Spanish 0000 GMT 6 Mar 90

[Text] In response to the events in Panama, where on 3 March a group of demonstrators desecrated our national symbols and caused serious damage to our embassy in that country, the Peruvian Foreign Ministry today issued a communique, expressing its condemnation for, and concern over, those acts of violence.

The communique reports that the Foreign Ministry has reiterated to Panamanian Government officials the need to guarantee, by all appropriate means, due respect for the installations of the Peruvian Embassy and its occupants in accordance with regulations governing diplomatic and consular immunity, and to ensure the inviolability consecrated by international treaties and practice.

Vargas Llosa Leads Poll With 51 Percent of Vote

PY0503141790 Madrid EFE in Spanish 0247 GMT 5 Mar 90

[Text] Lima, 4 Mar (EFE)—According to a poll released today in Lima, Peruvian presidential candidate Mario Vargas Llosa is the favorite candidate in the upcoming 8 April elections. Vargas Llosa, presidential candidate for the center-right Democratic Front (Fredemo), received 51 percent of the votes in a survey that was taken in this capital by the private company "Marketing and Opinion" and published by [passage indistinct] between 18 and 70 years old, received 63 percent of the votes from persons of the upper and middle socioeconomic classes and 44 percent from voters from the lower and very low classes.

Former Lima Mayor Alfonso Barrantes, presidential candidate for the Movement of the Socialist Left, is second with 40 percent of the total, with 11 percent from the upper and middle classes and 16 percent from the lower and very low socioeconomic classes.

Henry Pease, candidate for the United Left, a coalition of the communist and socialist parties, is third with 10 percent, while ruling American Popular Revolutionary Alliance (APRA) candidate Luis Alva Castro is in the fourth place with eight percent of the vote.

The people were responding to this question: Who would you vote for if the elections were held on Monday? According to the poll, Vargas Llosa would have the 51 percent necessary to win the presidency directly, without the runoff election that would otherwise result [words indistinct] if no more than 50 percent of the votes are obtained.

Guyana

Senior U.S. Official Unhappy With Aid Package

FL0603013390 Bridgetown CANA in English 2310 GMT 5 Mar 90

[Text] Georgetown, Guyana, March 5, CANA—A senior official of the United States Administration Monday described as "a disastrous state of affairs," the amount of aid being made available to the Caribbean this year by the United States.

Ms. Sally Cowal, the U.S. deputy assistant secretary of state for inter-American affairs, told newsmen here Monday [5 March] that to say she was "disappointed" that the U.S. Administration did not get as much aid for the Caribbean this year as it had hoped "would be a mere shadow" of her true feelings about the matter.

"I think it is a disastrous state of affairs and I can only hope that things are so bad that, paradoxically, they will get better," Ms. Cowal said at a press conference here at the end of a three-day visit during which she met with President Desmond Hoyte, several government ministers and with representatives of opposition political parties, labour and business.

She was, however, very optimistic that there would soon be changes in the manner in which U.S. foreign aid is allocated and that with those changes, the "foreign affairs professionals" of the U.S. Administration will be in a better position to determine the flow of aid. She was responding to questions about concerns expressed by governments in the region about the shortfall in aid that was expected from the United States this year.

She noted that the U.S. Administration had requested from Congress 25 million U.S. dollars in aid for Jamaica and had hoped to get between 10 to 13 million U.S. dollars for Guyana but failed to reach each of these goals. She repeated U.S support for Guyana's economic recovery programme [ERP] and said it was hopeful that U.S. funds for the ERP would be increased significantly next year.

Cowal also announced that an investment mission organised by the Overseas Private Investment Corporation (OPIC) will be visiting Guyana in June and that an investment team from Puerto Rico will also be visiting shortly.

"We are very much in support of what the government of Guyana has done with the International Monetary Fund (IMF) and we wish to be full participants in the process. We believe very strongly that the economic recovery programme of the government is designed to bring Guyana back to where it deserves to be—a wealthy country in which citizens enjoy a decent standard of living. We are willing to help make that come about."

U.S. Will Help Toward 'Free and Fair Elections'

FL0603011290 Bridgetown CANA in English 2237 GMT 5 Mar 90

[Report by Courtney Gibson]

[Text] Georgetown, Guyana, March 5, CANA—The United States Administration will be working in the coming months for free and fair elections in Guyana, a senior state department official said on Monday [5 March]. Ms. Sally Cowal, the U.S. deputy assistant secretary of state for inter-American affairs, told newsmen here she got every indication that the Desmond Hoyte administration "is very interested in having an open and free election."

"We are interested in having an open, free and fair elections and we will be certainly working towards that end in the months to come," she said at a press conference shortly before flying out to Trinidad and Tobago on the penultimate leg of her visit to the region.

Ms. Cowal, who is responsible for overseeing U.S. policy and relations with Mexico and the Caribbean and for regional economic affairs, arrived here Friday and held talks with President Hoyte and several government ministers as well as with members of the opposition political parties, business and labour leaders and human rights activists.

She said the talks were "constructive." They dealt with, among other things, elections, the status of Guyana's economic recovery programme (ERP), narcotics, regional issues and international organisations.

Ms. Cowal is the most senior U.S. state department official to visit here in recent years and her visit coincides with what some observers characterise as a "very interesting phase" in Guyana-U.S. relations primarily because of the increasing interest being shown by the U.S. Administration in elections here and the recent 5 to 10 million U.S. dollar shortfall in the U.S. contribution to Guyana's ERP.

In a recent congratulatory message to President Desmond Hoyte on the occasion of Guyana's 20th anniversary of republican status, President George Bush, much to the elation of opposition groups which continue to accuse the PNC of retaining power through fraudulent elections, raised the question of elections in Guyana.

He said he was hopeful that the forthcoming national elections within the next year "will reflect the democratic values shared by both our peoples."

And, in what is seen as an unusual move, the government published Hoyte's response in which he thanked the U.S President "most sincerely" for his message of congratulations. Hoyte then added: "as you observe, our peoples share the same democratic values. These have been traditionally reflected in national elections in both our countries and will be so reflected in any forthcoming elections."

Cowal said: "The U.S certainly does welcome President Hoyte's response and we fully expect that the elections will be free and fair."

She also told journalists that "Guyana deserves to play its role in this hemisphere of nations which is increasingly democratic and increasingly free-market oriented," and the U.S is interested in helping Guyana to achieve its rightful role.

Cowal said she would characterise U.S.-Guyana relations as "growing stronger everyday."

Suriname

Shankar Reaffirms Kourou Accord After Meeting

FL0503232790 Paramaribo International Service in English 1730 GMT 5 Mar 90

[Text] The Kourou Accord remains the basis for peace and will be adjusted if necessary. This was stated by President Ramsewak Shankar last Friday [2 March] after a discussion with the delegation from the Jungle Commando at the Presidential Palace. The discussion was held in the framework of the peace process, which is now being continued by the president himself. According to the president, incorporation of the Jungle Commando in the police force and the disarming of the illegal armed troops have also been discussed during the meeting. The incorporation of the Jungle Commando in the police force is part of the Kourou Accord, which was signed last year between the government and the Jungle Commando and has been criticized by various social groups.

President Shankar stated last Friday that a government delegation will this week make an inventory of the needs in eastern Suriname. Jungle Commando leader Ronny Brunswijk said after the discussion with the president that the rebel force will not lay down arms as long as the development of the interior has not been settled. During the discussion between the president and the leadership of the Jungle Commando, Vice President Henck Arron, Assembly Chairman Jaggernath Lachmon, and the deputy chairman of the Council of Ministers, Willy Soemita, were also present.

President Ramsewak Shankar has asked the Comission of Eight to present concrete development projects for the interior within a short while. The Commission of Eight is an advisory body of the Tucayana Amazons. The president has furthermore given the order to send food and other basic necessities to the interior. This was stated last Saturday at the press conference by the president after discussions with the delegation of the Tucayana Amazons led by Commander Thomas. The meeting at the Presidential Palace was held in the framework of the peace process, which is now being continued by the president himself.

According to the president, the government is now holding an inventory of the measures which should lead to peace. During the meeting with President Shankar, Tucayana Amazons informed him about, among other things, their concerns over the Kourou Accord. They say that they were not involved in the signing of the accord, and they are against the incorporation of the Jungle Commando in the police force.